

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2015

WEDNESDAY, JUNE 18, 2014

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10 a.m. in room SD-192, Dirksen Senate Office Building, Hon. Richard J. Durbin (chairman) presiding.
Present: Senators Durbin, Leahy, Feinstein, Murray, Reed, Pryor, Collins, Graham, Coats, and Blunt.

DEPARTMENT OF DEFENSE

OFFICE OF THE SECRETARY OF DEFENSE

STATEMENT OF HON. CHUCK HAGEL, SECRETARY OF DEFENSE

ACCOMPANIED BY HON. ROBERT HALE, UNDER SECRETARY OF DEFENSE, COMPTROLLER

OPENING STATEMENT OF SENATOR RICHARD J. DURBIN

Senator DURBIN. Good morning.

The subcommittee meets this morning to receive testimony on the fiscal year 2015 budget request for the Department of Defense (DOD).

I am pleased to welcome the leadership of the Department, Secretary Chuck Hagel and General Martin Dempsey, to present their views on both the strategic and budgetary challenges facing our armed forces.

Mr. Hale, thank you for your expertise, as well. Your continuing contributions make a big difference.

Let me congratulate the Department on the capture of Ahmed Abu Khatallah, a key figure in the September 2012 attack on U.S. facilities in Benghazi, an attack which cost us four American lives. I want to commend the professionalism of our men and women in uniform who worked alongside law enforcement and intelligence counterparts to ensure that this man will be brought to justice.

We're also following several other recent events which have underscored the many challenges to American security and interests around the world. The shocking events in Iraq this past week demonstrate the threats posed by continuing chaos in Syria which has given rise to dangerous new extremist groups. Deterioration of security in Yemen shows that established terrorist organizations, such as al-Qaeda in the Arabian Peninsula, remain a serious threat. The aggressive moves by Russia in Ukraine recall the im-

portance of U.S. security commitments to our allies, partners, and friends. And finally, the drawdown of U.S. forces in Afghanistan raise serious questions about our future posture and commitments to that country. Secretary Hagel, General Dempsey, I hope you can address these situations in your remarks.

Along with these security threats, the Department has a longer-term challenge when it comes to the budget. I've said, many times, sequestration was a threat that was never supposed to happen. But it did. The shrinking budgets have meant that many important programs, such as large headquarter staffs, generous contractor support contracts, and generous travel policies, have been changed and cut back.

But it's not clear that the Department is making all of the tough choices required in this budget environment. The fiscal year 2015 Defense budget plan includes \$115 billion in spending between 2016 and 2019 above the BCA (Budget Control Act) caps, meaning that more tough choices are ahead if we do not eliminate sequestration next year. The Department also proposed \$26 billion in additional programs that it could not fit within its budget constraints but were viewed as high priorities for readiness, modernization, and key needs. And the service chiefs proposed an additional \$36 billion in programs also viewed as high priorities.

Lastly, it's been 3½ months since the 2015 budget was submitted, and Congress has yet to see the overseas contingency operations budget request. I'm the first to say that we need to do something about sequestration, provide a responsible budget plan that balances investments in national defense, education, healthcare innovation, and other national priorities, but I am concerned that the Department of Defense cannot continue to count on tens of billions of extra dollars arriving each year outside of the budget process, and I'd like to know how the Department intends to further tighten its budget process in light of the continuing unknowns about sequestration.

PREPARED STATEMENT

Despite these challenges, we can still afford to make critical investments in the Defense budget within available resources. Many Defense leaders have embraced competition to get more bang from the taxpayer's buck, and there is even more that can be done to accelerate competition in Defense programs. Investments in science and technology are critical, not only to national defense, but also to innovation across America. DOD investments in GPS satellites, the Internet, and medical research have literally touched the lives of every American, whether or not they've ever worn a uniform. Work going on today at DARPA, the Army Research Laboratory, the Air Force Research Lab, and the Office of Naval Research could improve our national security, revolutionize medicine, technology, and business for years to come. Even in these tough budget times, we have to work to afford investments in medical research for breakthrough technologies and to increase investments in key areas. I look forward to working with you, Secretary Hagel, to make this happen.

[The statement follows:]

PREPARED STATEMENT OF SENATOR RICHARD J. DURBIN

The subcommittee meets this morning to receive testimony on the fiscal year 2015 budget request for the Department of Defense.

I am pleased to welcome the leadership of the Department of Defense, Secretary Hagel and General Dempsey, to present their views on both the strategic and budgetary challenges facing our Armed Forces.

Several recent events have underscored the many challenges to American security and interests around the world.

First, let me congratulate the Department of Defense on the capture of a key figure in the attack on September 2012 attack on U.S. facilities in Benghazi, named Ahmed Abu Khatallah. In particular, I commend the professionalism of our men and women in uniform, who worked alongside their law enforcement and intelligence counterparts to ensure this man was brought to justice.

We are also following a number of other events:

- The shocking events in Iraq this past week demonstrate the threats posed by continuing chaos in Syria, which have given rise to dangerous new extremist groups.
- Deterioration of security in Yemen shows that an established terrorist organization, such as Al Qaeda in the Arabian Peninsula, remains a serious threat.
- The aggressive moves by Russia in Ukraine recall the importance of U.S. security commitments to our allies, partners, and friends.
- And finally, the drawdown of U.S. forces in Afghanistan raises questions about our future posture and commitments to that country.

Secretary Hagel and General Dempsey, I hope you can address some of those situations in your opening remarks.

Along with these security threats, the Department has a longer term challenge in how to budget for its priorities.

I've said many times that sequestration was never supposed to happen, but it did.

The shrinking budgets have meant that many nice-to-have programs, such as large headquarters staffs, generous contractor support contracts, and generous travel policies, have been cut back.

But it is not clear that the Department is making all of the tough choices required in this new budget environment. The fiscal year 2015 defense budget plan includes \$115 billion in spending between 2016 and 2019 that is above the BCA caps—meaning that more tough choices are ahead if sequestration is not eliminated next year.

The Department also proposed \$26 billion in additional programs that it could not fit within its budget constraints, but were viewed as high priorities for readiness, modernization, and other key needs. And the Service Chiefs proposed an additional \$36 billion in programs that are also viewed as high priorities.

Lastly, it has been three and a half months since the 2015 budget was submitted, and Congress has yet to see an Overseas Contingency Operations budget request.

I am the first to say that we need to do something about sequestration and provide a responsible budget plan that balances investments in national defense, education, healthcare, innovation, and other national priorities.

But I am concerned that the DOD cannot continue to count on tens of billions of extra dollars arriving each year outside of the budget process, and I would like to know how the Department intends to further tighten its budgeting process in light of the continuing unknowns of sequestration.

Despite these serious challenges, we can still afford to make critical investments in the defense budget within the available resources. Many defense leaders have embraced competition to get more bang from the taxpayer buck, and there is even more than can be done to accelerate competition in defense programs.

Investments in science and technology are critical not only to our national defense, but to innovation across our country. DOD investments in GPS satellites, the Internet, and medical research have touched the lives of every American, whether or not they have ever worn a uniform.

Work going on today at DARPA, the Army Research Laboratory, the Air Force Research Lab, and the Office of Naval Research could improve our national security and revolutionize medicine, technology, and business for years to come. Even in these tough budget times, we can afford to target medical research and breakthrough technologies for increased investment, and I look forward to working with you, Secretary Hagel, to make that happen.

Senator DURBIN. Chairwoman Mikulski is not here and Ranking Member Shelby is on the floor, so at this point, I'm going to proceed to our witnesses and ask Secretary Hagel if he would like to

open up and make a statement. Your written statement will be made an official part of the record.

SUMMARY STATEMENT OF HON. CHUCK HAGEL

Secretary HAGEL. Mr. Chairman, thank you. Good morning. Members of the committee, good morning. And thank you for the opportunity to talk about our fiscal year 2015 budget and, as you have noted, the other issues that are before us in the world today in this country. We are prepared to respond to questions regarding those specific issues.

I also, on behalf of the Defense Department, want to thank this subcommittee, in particular, for your continued support of our troops and what is required in order to keep our troops modern, ready, capable. And that is much the focus of this budget and much of what we'll be talking about this morning, and why we presented the budget we have, and why we need the budget that we will present.

Mr. Chairman, I particularly appreciate being here, as always, when I am with the Chairman of the Joint Chiefs, General Marty Dempsey. This country is very fortunate to have General Dempsey's leadership, as well as all the chiefs that not only represent our services so well, but are very effective in their leadership and very wise in their advice they give to the President, give to me.

I also want to note that Bob Hale, as you have recognized already, our Comptroller for DOD over the last 5 years. This, I believe, will be his last budget hearing. I know he's greatly distressed by that, but he's a great admirer of the Congress, and never gets enough time with all of you.

And I want to particularly acknowledge Bob Hale, because he has really been particularly important to DOD and this country over the last year, 2 years, when we have had Government shutdowns, abrupt, steep cuts, sequestration, which you've mentioned. He has been the architecture and the chief operating officer to guide us through that.

So, Bob, we will miss you, your leadership and what you've contributed, but you deserve to escape. And you all know very well his successor, Mike McCord, who served for many years as a senior staff member on the Armed Services Committee. This body confirmed him recently, and we appreciate that, so he will replace Bob.

Mr. Chairman, you have noted, and I just recognized, that recent crises in Iraq, Ukraine, remind us all how quickly things can change in the world, and not for the better. And they underscore why we must assure the readiness and the agility and the capability of our military. That's what we will address today.

My lengthier submitted statement, Mr. Chairman, describes our budget in detail and the rationale behind the decisions that we have come forward with, presented in our budget.

You mentioned our overseas contingency operations budget, OCO, for fiscal year 2015. It is being finalized now. I know it's late. There are some reasons for that. This OCO presentation will reflect the President's decision on a couple of new initiatives that he has announced that he's taken and certainly the continuation of our enduring presence in Afghanistan, as well.

The President, as you know, recently announced a \$5-billion Counterterrorism Partnership Fund, which would be funded through OCO, and a \$1-billion European Reassurance Initiative, also funded out of OCO. I strongly support both of these, for the reasons that we will define more clearly this morning.

This budget reflects, I believe, the threats, the uncertainties, and the opportunities facing our country today, but also probably is important in the future. Everyone on this committee knows that decisions made today have immense impact on what kind of a military we're going to have down the road. You mentioned science and technology. That is one of the foundational dynamics of keeping our technological edge, our capability, our modernization ahead of what's out there. It also, Mr. Chairman, reflects the tough fiscal realities facing us here today. And you mentioned one, of course: Sequestration.

The tremendous uncertainty that DOD has had to deal with the last 12 months, but really the last 24 months—do we have a budget? We don't have a budget. What kind of a budget? That kind of uncertainty, when you're trying to put together and operate in the interest of our national security, an enterprise this big, has been difficult. But because of the kind of leadership in people like Bob Hale and Marty Dempsey, we've been able to do it.

Last year, DOD's budget was cut \$37 billion. It was cut \$37 billion because of sequestration. And I might remind this committee, as you all know, that's in addition to the \$487-billion 10-year reduction under the Budget Control Act of 2011 that DOD was already implementing. December's Bipartisan Budget Act gave DOD some temporary relief from sequestration for fiscal years 2014 and 2015. But it still imposes more than \$75 billion in cuts over the fiscal year this year and fiscal year 2015.

Mr. Chairman, unless Congress changes the law, as you all know, before fiscal year 2016, sequestration will be back as the law, and that will take another \$50 billion from our budget each year through fiscal year 2021, damaging the military's readiness, undercutting our Defense strategy and our capabilities.

The President's 5-year budget plan provides a realistic alternative to sequestration, projecting, as you note, \$115 billion more than current law allows from 2016 to 2019. This is the minimum amount of additional spending that our military and our civilian leadership believe is needed to successfully execute the Defense strategy.

Since my submitted statement explains in detail our budget request and the rationale behind those key decisions, I want to focus on two critical areas.

First, our decision to reduce the size of the military's force structure and retire older platforms in order to invest in training and modernization. Under the strict budget limits being imposed on DOD, we cannot keep our current force structure adequately ready and modernized. Readiness is our main concern. I know it's a concern of this committee. Readiness is our main concern, as it must be for anyone who cares about our national security and the men and women who defend it. We cannot place our men and women in situations if they are not ready. It would be a failure, the worst failure leadership could make.

So, we made a strategic decision to reduce the size of our force to ensure our troops are trained, ready, capable. These decisions were based on strategic priorities in detailed analysis, and agreed to by all—by all the service chiefs. After 13 years of long war and stability operations, we must shift our focus onto future requirements shaped by enduring and emerging threats, much like we're seeing today. We must be able to defeat terrorist threats and cyber attacks and deter adversaries with increasingly modern weapons and technological capabilities. That's why we protected funding for cyber and special operations.

For the Active Duty Army, we propose drawing down by 13 percent over the next 5 years, to about 440 to 450 soldiers, which we believe is adequate for future demand, Chief of Staff of the Army, General Odierno, believes is adequate for future demand.

Army National Guard and Reserve units will remain, and have to remain, a vibrant part of our national defense. We've proposed drawing the Reserves and the National Guard down by 5 percent. We will continue investing in high-end ground capabilities to keep our soldiers the most advanced, ready, and capable in the world.

The Navy will have 11 carrier strike groups under the President's budget plan, keeping our carrier force at the level approved by Congress. We've protected investments in submarines, afloat staging bases, guided-missile destroyers, and other lethal survivable platforms, ensuring our technological edge and enabling our naval forces to operate effectively, regardless of other nations' capabilities.

But we had to make some tradeoffs, Mr. Chairman. We had to make some realistic tradeoffs. To help keep its ship inventory ready and modern at reduced budget levels, the Navy will set aside 11 cruisers for modernization and retrofitting, then return them to service with greater capability and longer lifespans. This will also support a strong defense industrial base, itself a national strategic asset.

The Marine Corps will continue its planned drawdown to 182,000 and will devote about 900 more marines to increased Embassy security.

The Air Force will continue investing in advanced capabilities that are most relevant to maintaining our aerial dominance in confronting new threats, including the F-35 Joint Strike Fighter, the new long-range bomber, and the KC-45 refueling tanker. But we choose—chose to replace the 50-year-old U-2 with the unmanned Global Hawk and phase out the 40-year-old A-10, which lacks the multi-mission capabilities of more advanced survivable aircraft.

Let me address compensation reform as the second issue. Taking care of our people, as everyone on this committee knows, means providing them with fair compensation as well as the training and tools they need to succeed in battle and to return home safely. To meet those obligations under constrained budgets, we need some modest reforms and structural adjustments. We need these to slow the grow in pay and certain in-kind benefits.

Let me clarify what these adjustments are and are not.

First, we'll keep recommending pay increases, but the rate of growth of those increases would be slow.

Second, off-basing housing—off-base housing subsidies, they will continue. Today's 100-percent benefit would be gradually reduced, but only to 95 percent, phasing in over several years. And I would remind us that, in the 1990s, the housing allowance was about 80 percent.

Third, we're not closing commissaries. We recommended gradually phasing out some subsidies, but only for domestic commissaries in large metropolitan areas. We'll continue fully subsidizing all commissaries overseas and in remote locations.

Fourth, we recommend simplifying and modernizing our three TRICARE systems by merging them into one system, phasing in modest increases in copays and deductibles for retirees and family members to encourage the most affordable means of care. Active Duty personnel's healthcare will remain free. We will not compromise on access and quality of healthcare. Under our plan, 100 percent of the savings from compensation reform will go toward ensuring—that our troops have the training and tools they need to accomplish their missions.

Readiness. If Congress blocks these changes without adjusting current budget caps, or if sequestration remains the law, it will jeopardize the readiness and capability of our armed forces and shortchange America's ability to effectively and decisively respond when global offense—events demand it. My submitted statement, Mr. Chairman, details how sequestration would compromise our national security.

PREPARED STATEMENT

Mr. Chairman, the President's budget supports our Defense strategy, it defends this country and keeps our commitment—all of our commitments to our people. The Chairman, the chiefs, and I strongly support it. I look forward to your questions.

Thank you, Mr. Chairman.

[The statement follows:]

PREPARED STATEMENT OF HON. CHUCK HAGEL

Chairman Durbin, Ranking Member Cochran, members of the committee: Thank you for the opportunity to be here today.

The President's fiscal year 2015 budget submission for the Department of Defense fully reflects the historic transition taking place as America winds down the longest war in its history. This is a defining budget that will begin adapting and reshaping our defense enterprise for years to come. Recent crises in Iraq and Ukraine are reminders of how dangerous, volatile, and unpredictable the world can be—and they underscore the absolute need to assure the readiness, agility, and capability of the United States military.

With this budget, we are repositioning the military for the new strategic challenges and opportunities that will define our future: new technologies, new centers of power, and a world that is growing more volatile, more unpredictable, and in some instances more threatening to the United States. We are also helping navigate through a period of great uncertainty regarding the future level of resources DOD will have to defend the Nation.

I have no illusions about the fiscal realities facing DOD. It was 1 year ago that \$37 billion in sequestration cuts were being imposed for fiscal year 2013—cuts that came in addition to the \$487 billion, 10-year defense spending reductions required by the Budget Control Act of 2011 that DOD has been implementing.

We had to implement this \$37 billion cut in a matter of months while trying to avoid damage to national security. Our people and our mission suffered because of these abrupt and deep cuts.

Today, DOD is in a better place as a result of the Bipartisan Budget Act passed last December. It provided DOD with some relief in this fiscal year and for fiscal year 2015. And it gave us some budget certainty for the next fiscal year.

The Bipartisan Budget Act was possible because Members of Congress, both Republican and Democrat, worked together with this Administration for the greater interests of our country.

But we're not yet where we need to be. So our partnership must continue.

Under the spending limits of the Bipartisan Budget Act, DOD's base budget is roughly \$496 billion in fiscal year 2014—or \$31 billion below what the President requested last year. The law also meant cutting DOD spending in fiscal year 2015 to \$496 billion, which is \$45 billion less than was projected in the President's budget request last year. And sequestration-level cuts remain the law for fiscal year 2016 and beyond.

Defense budgets have long included both a 1-year budget request, and a 5-year plan that indicates expectations for the future. Over the years from fiscal year 2016 to fiscal year 2019, the President's plan projects \$115 billion more in spending than at sequestration levels.

Some have asked why the President continues to request budgets above sequestration levels. The reason is clear. President Obama and I are not going to ask for a level of funding that would compromise America's national security interests. We never would. Continued sequestration cuts would compromise our national security both for the short and long term.

That said, if sequestration returns in fiscal year 2016 and beyond, or if we receive funding levels below the President's request, we are prepared to specify the cuts we would have to make, and the risks we would then have to assume. These cuts are described in this testimony and have been sent over to Congress in a detailed report.

However, the President, the Chairman, and I do not expect Congress to push us further down a path that has clear risks to our national security. Instead, we expect that all of us can continue working together, as partners, to find a balance . . . and to assure America's national security. If Congress is going to require us to operate under increasingly constrained budgets, Congress must partner with us so that we can make the right decisions.

The President's budget matches resources to the updated defense strategy in this year's Quadrennial Defense Review (QDR), which builds on the President's January 2012 Defense Strategic Guidance. The QDR is not budget-driven; rather, it is resource-informed, defining the risks assumed under the President's budget as well as the risks that would be assumed under the return of sequestration. A QDR that completely ignores fiscal realities would be irrelevant.

The QDR outlines our top strategic priorities, which weighed heavily on the choices presented in this budget:

- Defending the homeland against all threats;
- Building security globally by projecting U.S. influence and deterring aggression; and
- Remaining prepared to win decisively against any adversary should deterrence fail.

To fulfill this strategy DOD will continue to shift its operational focus and forces to the Asia-Pacific, sustain commitments to key allies and partners in the Middle East and Europe, maintain engagement in other regions, and continue to aggressively pursue global terrorist networks.

As a whole, this budget allows DOD to implement the President's defense strategy, albeit with some increased risks, which I specify later in my testimony.

The reality of reduced resources and a changing strategic environment requires us to prioritize and make difficult choices. Given the uncertainty about funding levels, our current 5-year plan reduces selected end strengths and forces to levels consistent with sequestration-level cuts. Those additional reductions could be reversed if funding rises above sequestration levels. I explain this in greater detail later in my testimony. The way we formulated our budget gives us the flexibility to make difficult decisions based on the likely range of potential fiscal outcomes.

BUDGET TOP-LINES: BALANCING READINESS, CAPABILITY, AND CAPACITY

Consistent with the strict spending limits of the Bipartisan Budget Act, President Obama is requesting \$495.6 billion for DOD's fiscal year 2015 base budget. Since last year's plans called for \$541 billion for fiscal year 2015, this represents a \$45 billion cut. Our fiscal year 2015 budget will allow the military to protect U.S. interests and fulfill the updated defense strategy—but with increased levels of risk. DOD can manage these risks under the President's fiscal year 2015 budget plan, but risks

would grow significantly if sequestration-level cuts return in fiscal year 2016, if proposed reforms are not accepted, and if uncertainty over budget levels continues.

In formulating this budget, our priority was balancing readiness, capability, and capacity—making sure that whatever size force we have, we can afford to keep our people properly trained, equipped, compensated, and prepared to accomplish their mission. That’s the only reasonable course under constrained budgets. We must be able to keep our military ready and capable.

Accordingly, about two-thirds of DOD’s fiscal year 2015 budget—\$341.3 billion—funds its day-to-day costs, what a business might call its operating budget. These funds pay for things like fuel, spare parts, logistics support, maintenance, service contracts, and administration. It also includes pay and benefits for military and civilian personnel, which by themselves comprise nearly half of the total budget.

The remaining third of our budget—\$154.3 billion—pays for investments in future defense needs, or what a business might call its capital improvement budget. These funds are allocated for researching, developing, testing, evaluating, and ultimately purchasing the weapons, equipment, and facilities that our men and women in uniform need to accomplish their mission.

Broken down in a more specific way, our budget includes the following categories:

- Military pay and benefits* (including healthcare and retirement benefits).—\$167.2 billion, or about 34 percent of the total base budget.
- Civilian pay and benefits*.—\$77 billion, or about 16 percent of the total base budget.
- Other operating costs*.—\$97.1 billion, or about 19 percent of the total base budget.
- Acquisitions and other investments* (Procurement; research, development, testing, and evaluation; and new facilities construction).—\$154.3 billion, or about 31 percent of the total base budget.

So far I have focused on DOD’s base budget. We will soon propose an Overseas Contingency Operations (OCO) budget for fiscal year 2015. The OCO budget will cover costs related to Afghanistan and other operations and will reflect the President’s decision regarding the enduring presence in Afghanistan and U.S. commitments made at the 2012 NATO Summit in Chicago. Specifically it will assume that at the beginning of calendar year 2015, the United States will have 9,800 U.S. servicemembers in different parts of Afghanistan, in addition to troops from our NATO allies and other partners, to conduct two limited missions: training and advising Afghanistan’s security forces, and counterterrorism operations against the remnants of al-Qa’ida. By the end of 2015, we would reduce the U.S. presence by roughly half, consolidating our troops into two locations in Kabul and Bagram Airfield. By the end of 2016, we will draw down to a more conventional Embassy-based security assistance presence in Kabul. As the President has made clear, this enduring presence is contingent on the Afghans signing a Bilateral Security Agreement.

The OCO budget request will also cover other costs related to CENTCOM operations in the Mideast. In addition, the President has announced that the fiscal year 2015 OCO request will include up to \$5 billion for a Counterterrorism Partnerships Fund designed to allow the United States to train, build capacity, and facilitate operations of partner countries assisting on the front lines of our efforts to combat terrorism. These funds will give us the flexibility to fulfill different missions such as training security forces in Yemen, supporting a regionally led force to help keep peace in Somalia, working with European allies to train a security force and border patrol in Libya, and facilitating French operations in Mali.

The fiscal year 2015 OCO request will also include the President’s one billion dollar European Reassurance Initiative that would allow us to take measures to reinforce Allies and Partners in Europe. These measures could include:

- increasing exercises, training, and rotational presence across Europe, especially on the territory of our newer NATO allies;
- as we have done in Poland, deploying small detachments of U.S. planners to augment the capability of our allies to design and host a broad range of training and exercises;
- increasing the responsiveness of U.S. forces to reinforce NATO through the prepositioning of equipment, and improvements to other reception facilities and infrastructure in Europe; and
- increasing U.S. Navy participation in NATO naval force deployments, including deployments to the Black and Baltic Seas.

The fiscal year 2015 budget request sent to Congress in March included a placeholder of \$79 billion for OCO. It would be premature for me to provide right now a specific number for the fiscal year 2015 OCO request. However, we expect that the proposal will be substantially smaller than the placeholder figure.

BEING MORE EFFICIENT

Because we are asking taxpayers for more than half a trillion dollars for defense spending, DOD must make every \$1 count—particularly during a period when we are under stringent budget constraints across the Federal Government. So we're continuing to find new ways to use our resources more wisely and strategically, be more efficient, reduce overhead, and root out waste, fraud, and abuse.

This year, a new package of reforms in these areas—the second-largest submitted by this Administration—produced \$18.2 billion in savings for fiscal year 2015, and some \$93 billion in savings through fiscal year 2019. This enabled us to make smaller cuts in other areas. Building on a 20-percent cut in management headquarters operating budgets—which we began implementing in December for the Office of the Secretary of Defense and the Joint Staff, and which the services and agencies are implementing during the 5-year defense plan—this package includes savings from reducing contractor costs and civilian personnel; terminating or delaying some troubled weapons and procurement programs in favor of higher priorities; and cutting back on costs at certain defense agencies. It also includes healthcare savings that we found by cutting back lower-priority research projects and construction and by taking advantage of slower growth of healthcare costs in the private sector.

We are also continuing to monitor previous years' initiatives to use our resources more efficiently, as well as making progress toward auditability on our financial statements. DOD expects most of its budget statements to be audit ready by this September, and remains committed to becoming fully audit-ready by 2017. This is an ambitious goal for an organization of our size and complexity, and there is still much more work to do. But we are making significant progress. Several DOD organizations have achieved important, positive audit results. Last year, for example, the Marine Corps became the first DOD military service to receive a clean audit opinion—in this case for the current year of its budget statement.

In addition to these efforts, we must take a serious look at responsible procurement and acquisition reforms that will further increase the buying power of defense dollars. This is particularly important if we're going to protect investments in modernized capabilities. DOD officials are already working closely with Congressional Committee staff to go over defense acquisition and procurement laws line-by-line, and we hope to start implementing legislative reforms this year.

No reasonable discussion of allocating our resources more efficiently can avoid the need to reduce excess facilities. With this submission, we are asking Congress to authorize a round of Base Realignment and Closure (BRAC) to begin in fiscal year 2017.

I understand Congress' concerns about BRAC, including your desire to reduce overseas infrastructure first and your frustrations with BRAC 2005. That's why this round will be focused on finding savings rather than reorganization and will feature a rapid payback of up-front costs, and why DOD will continue to reduce excess overseas infrastructure.

But we must also divest ourselves of excess domestic facilities, and BRAC is the most responsible path. I am fully aware that Congress has not agreed to our BRAC requests of the last 2 years, and that both authorizing committees have denied our request for a BRAC round in 2017. If Congress continues to block these requests while reducing the overall budget, we will have to consider every tool at our disposal to reduce infrastructure.

We can't keep financing overhead that we don't need, because we're taking that money away from areas that we do need. The more we delay now, the more we'll have to spend later on unneeded installations instead of on training, equipping, and compensating our people—robbing our troops of the resources they need to be able to fight and win decisively when we send them into harm's way.

This issue is only going to get more difficult. Future Congresses and administrations will be dealing with it, with fewer and far less attractive and far more painful options. Congress and DOD must work together to make these decisions wisely—because no matter what, we must reduce force structure and end strength in order to sustain a ready and capable force under constrained budgets.

SUSTAINING A READY AND CAPABLE FORCE—NOW AND IN THE FUTURE

This is the lesson of every defense drawdown over the past 70 years. Whether after World War II, Korea, Vietnam, or the Cold War, the U.S. military retained more force structure than it could afford to train, maintain, and equip—giving too much weight to capacity over readiness and capability. Because readiness and modernization were sacrificed, it took much more money for the military to recover and be sufficiently trained and equipped to perform assigned missions. And conflict ultimately did resurface after every war.

We can't afford to repeat those mistakes, which is why we decided to trade some capacity for readiness and modernized capabilities, in order to ensure that our military will be well-trained and supplied. All of our force structure decisions were made strategically—protecting investments in the forces that would be uniquely suited to the most likely missions of the future, and minimizing risk in meeting the President's defense strategy.

Our decisions for investing in a modernized and capable future force were made in a similar way. With the proliferation of more advanced military technologies and other nations pursuing comprehensive military modernization, we are entering an era where American dominance on the seas, in the skies, and in space—not to mention cyberspace—can no longer be taken for granted. Because it is essential for deterring aggression, and because the risk of failure against those potential adversaries would be far greater than against any others, the President's budget puts a premium on rapidly deployable, self-sustaining platforms that can defeat more technologically advanced adversaries.

Sustaining these critical investments under restrained budgets required setting strategic priorities and making difficult tradeoffs. That's why each service's budget allocations were made based on strategy and with the goal of maintaining balance in the readiness, capability, and capacity of the force.

Army: (24 Percent of the President's Fiscal Year 2015 Budget)

The Army's \$120.3 billion will support 32 active-duty brigade combat teams in fiscal year 2015. Since we are no longer sizing the force for large and prolonged stability operations, the Army will accelerate the pace and increase the scale of its post-war drawdown—reducing by 13 percent between now and 2017, from about 520,000 soldiers to a range of 440,000–450,000 active-duty soldiers instead of 490,000. To maintain a balanced force, the Army National Guard and Reserves will also draw down, but by a smaller percentage and by a smaller amount than the active Army—reducing by an average of 5 percent between now and 2017, from about 355,000 Guardsmen and 205,000 Reservists to 335,000 Guardsmen and 195,000 Reservists.

Analysis conducted by the QDR indicated that under the President's budget, the U.S. military's resulting post-war ground force will be sufficient to meet the updated defense strategy: capable of decisively defeating aggression in one major combat theater—as it must be—while also defending the homeland and supporting air and naval forces engaged in another theater. I am aware that pending legislation would establish yet another commission on the size and shape of the Army, and would also limit the size of the Army drawdown in the years beyond fiscal year 2015. We don't need to wait for another commission. We know what we have to do based on the continued deep resource restraints. Under current budget limits, maintaining an Army larger than the one we propose will lead to forces that do not have enough funds for proper training and modern equipment.

In terms of capabilities, we chose to terminate and reevaluate alternative options for the Army's Ground Combat Vehicle program, which had become too heavy and needed an infusion of new technology. The Army will also streamline its helicopter force from 7 to 4 airframes. Aging Kiowa helicopters and older training helicopters will be retired and replaced with more advanced Apache helicopters that will move from the National Guard to the active force. In return, the Guard will receive much more versatile Blackhawk helicopters, which are not only critical for warfighting, but also more adaptable for the missions the Guard conducts most frequently, such as disaster relief and emergency response.

The past decade of war has clearly shown that Apaches are in high demand. We need to put the Apaches where they will be ready to deploy fast and frequently when they're needed. This decision will also help the Guard's helicopter force more closely adhere to state and Federal requirements for homeland defense, disaster relief, and support to civil authorities while still serving as an important operational and strategic complement to our active-duty military. The Guard's helicopter fleet would only decline by 8 percent compared to the active Army's decline by 25 percent, and the overall fleet will be significantly modernized under the President's budget plan.

In making these difficult decisions on the Guard and Reserves, we affirmed the value of a highly capable reserve component, while keeping the focus on how our military can best meet future demands given fiscal constraints. I know that pending legislation would prohibit some or all of these changes. Let me emphasize that we made these proposals based on strategic priorities, clear facts, unbiased analysis, and fiscal realities . . . and with the bottom line focus on how we can best defend the United States. If Congress prohibits the changes, then we run a serious risk of reducing our combat capability.

Navy and Marine Corps: (30 Percent of the President's Fiscal Year 2015 Budget)

The Navy and Marine Corps are allocated \$147.7 billion for fiscal year 2015. The Navy's \$124.9 billion will support a fleet approaching 300 ships and some 323,600 active-duty sailors, as well as help preserve the fleet's modernization programs. The President's budget plan protects our investments in attack submarines, guided missile destroyers, and afloat staging bases—all of which we will need to confront emerging threats. Specifically:

- Virginia-Class Attack Submarines*.—We are requesting \$5.9 billion for fiscal year 2015, and \$28 billion over the FYDP, to support buying two submarines a year through fiscal year 2019.
- DDG-51 Guided Missile Destroyers*.—We are requesting \$2.8 billion for fiscal year 2015, and \$16 billion over the FYDP, to support buying two DDG-51 destroyers a year through fiscal year 2019. This will grow our destroyer inventory from 62 at the end of fiscal year 2014 to 71 (68 DDG-51s, 3 DDG-1000s) at the end of fiscal year 2019.
- Afloat Forward Staging Bases*.—We are requesting \$613 million over the FYDP to support buying one afloat forward staging base between now and fiscal year 2019.
- Aircraft Carriers*.—The President's budget plan enables us to support 11 carrier strike groups, including the USS *George Washington* and its carrier air wing. If we receive the President's funding levels through fiscal year 2019, we will keep the *George Washington* in the fleet and pay for its nuclear refueling and overhaul. We are requesting \$2 billion in fiscal year 2015 and \$12 billion over the FYDP to support completion of the *Gerald Ford*, construction of the *John F. Kennedy*, and initial procurement of the next carrier.
- F-35 Joint Strike Fighter*.—The Department of the Navy is acquiring two F-35 variants—the Navy carrier-based variant, the F-35C, and the Marine Corps short-take-off-and-vertical-landing variant, the F-35B. The Navy is requesting \$3.3 billion for eight aircraft in fiscal year 2015 (two F-35Cs and six F-35Bs), and \$22.9 billion for 105 aircraft over the FYDP.

Again, trade-offs were required to prioritize those investments under current budget constraints. In order to help keep its ship inventory ready and modern at reduced budget levels, half of the Navy's cruiser fleet—or 11 ships—will be placed in a long-term phased modernization program that will eventually provide them with greater capability and a longer lifespan. This approach to modernization enables us to sustain our fleet of cruisers over the long term, which is important because they're the most capable ships for controlling the air defense of a carrier strike group. I am aware that some pending legislation would prohibit placing these ships into this new status. I believe that, in the long run, such a prohibition would lead to a Navy that is less modern and capable.

Despite preserving the fleet's modernization programs and providing for increases in ship inventory over the next 5 years, I am concerned that the Navy is relying too heavily on the Littoral Combat Ship (LCS) to achieve its long-term goals for ship numbers.

The LCS was designed to perform certain missions—such as mine sweeping and antisubmarine warfare—in a relatively permissive environment. But we need to closely examine whether the LCS has the independent protection and firepower to operate and survive against a more advanced military adversary and emerging new technologies, especially in the Asia Pacific. If we were to build out the LCS program to 52 ships, as previously planned, it would represent one-sixth of our future 300-ship Navy. Given continued fiscal constraints, we must direct future shipbuilding resources toward platforms that can operate in every region and along the full spectrum of conflict.

Therefore, no new contract negotiations beyond 32 ships will go forward. With this decision, the LCS line will continue beyond our 5-year budget plan with no interruptions. Additionally, at my direction, the Navy will submit alternative proposals to procure a capable and lethal small surface combatant, generally consistent with the capabilities of a frigate. I've directed the Navy to consider a completely new design, existing ship designs, and a modified LCS. These proposals are due to me later this year in time to inform next year's budget submission.

While these decisions still keep the Navy on track for a 300-ship inventory by 2019, finding the money required to modernize older ships and buy new ones will depend on the Navy's success in its aggressive and ambitious plans to reduce acquisition costs and use available resources more efficiently, particularly in the acquisition of contracted services. My office will be keeping a close eye on these efforts.

The Marine Corps' \$22.7 billion will support 182,700 Marines, including about 900 more Marines devoted to increased security at embassies around the world. It will

also support a geographically distributed force posture in the Asia-Pacific, which will be critical as we continue rebalancing to the region.

Air Force: (28 Percent of the President's Fiscal Year 2015 Budget)

The Air Force is allocated \$137.8 billion in fiscal year 2015. We chose to protect funding for advanced systems most relevant to confronting emerging new threats—including the F-35 Joint Strike Fighter, the new Long Range Strike Bomber, and the KC-46 refueling tanker. These platforms will be critical to maintaining aerial dominance against any potential adversaries for decades to come. Specifically:

—*F-35 Joint Strike Fighter.*—We are requesting \$4.6 billion for 26 aircraft in fiscal year 2015, and \$31.7 billion for 238 aircraft over the FYDP.

—*Long Range Strike Bomber.*—We are requesting \$900 million for development funds in fiscal year 2015, and \$11.4 billion over the FYDP.

—*KC-46 Tanker.*—We are requesting \$2.4 billion for seven aircraft in fiscal year 2015, and \$16.5 billion for 69 aircraft over the FYDP.

Because we believe research and development is essential to keeping our military's technological edge, the President's budget also invests \$1 billion through fiscal year 2019 in a promising next-generation jet engine technology, which we expect to produce improved performance and sizeable cost-savings through less fuel consumption. This new funding will also help ensure a robust industrial base—itsself a national strategic asset.

Protecting these investments required trade-offs. In the next 5 years, in order to free up funding to train and maintain no less than 48 squadrons, the Air Force plans to reduce the number of active-duty personnel from 328,000 airmen at the end of fiscal year 2014 to 309,000 airmen by the end of fiscal year 2019. The Air Force will also retire the 50-year-old U-2 in favor of the unmanned Global Hawk system, slow the growth in its arsenal of armed unmanned systems, and phase out the aging A-10 fleet.

The A-10 "Warthog" is a venerable platform, and this was a tough decision. But it is a 40-year-old single-purpose airplane originally designed to kill enemy tanks on a Cold War battlefield. It cannot survive or operate effectively where there are more advanced aircraft or air defenses. And as we saw in Iraq and Afghanistan, the advent of precision munitions means that many more types of aircraft can now provide effective close air support, from multirole fighters to B-1 bombers to remotely piloted aircraft, which can all execute more than one mission. Moreover, the A-10's age is making it much more difficult and costly to maintain. Analysis showed that significant savings were only possible through eliminating the entire support apparatus associated with the aircraft. Keeping a smaller number of A-10s would only delay the inevitable while forcing worse trade-offs elsewhere. I therefore strongly urge the Congress to permit DOD the flexibility to make difficult changes such as the retirement of the A-10 aircraft.

Defense-Wide: (18 Percent of the President's Fiscal Year 2015 Budget)

The remaining share of the budget—about \$89.8 billion—is allocated for organizations across the Department of Defense.

For fiscal year 2015, this includes about \$7.5 billion for the Missile Defense Agency, which is critical for defending our homeland and reassuring our European allies. This funding will enable DOD to increase the number of Ground-Based Interceptors and make targeted investments in additional defensive interceptors, discrimination capabilities, and sensors. The budget continues to support the President's schedule for the European Phased Adaptive Approach.

Since special operations forces play a key role in counterterrorism, crisis response, and building partner capacity, the President's budget for fiscal year 2015 allocates \$7.7 billion for Special Operations Command. This is equal to what we requested last year, a 10-percent increase over what Congress appropriated for fiscal year 2014, and will support a special operations force of 69,700 personnel.

The President's fiscal year 2015 budget increases cyber funding to \$5.1 billion and maintains funding for intelligence agencies and other support activities. Through funds allocated to the Navy and the Air Force, the President's budget also preserves all three legs of the nuclear triad and funds important investments to ensure a safe, secure, and effective nuclear deterrent.

COMPENSATION REFORM AND STRUCTURAL ADJUSTMENTS TO SOME IN-KIND BENEFITS

For all the money that goes into maintaining a modernized and capable force, people are the core of our military. In this era of constrained budgets, ensuring that our people are properly trained, equipped, prepared, and compensated requires looking at difficult trade-offs and making some difficult choices. Compensation adjustments were the last thing we looked at, because you take care of your people first.

While Congress has taken some helpful steps in recent years to control the growth in compensation spending, we must do more. At this point, given the steps we've already taken to reduce civilian personnel costs in compliance with Congressional direction, no realistic effort to find further significant savings—savings needed to close serious shortfalls in training, maintenance, and equipment—can avoid dealing with military compensation . . . That includes pay and benefits for active and retired troops, both direct and in-kind.

We could reduce overall payroll spending by further reducing the total number of people in uniform. But since too small a force adds too much risk to our national security, we must also address the growth in pay and benefits for servicemembers so that we can afford to provide them with the training and tools they need to successfully accomplish their missions and return home safely.

Since 2000, Congress has in some cases boosted pay increases above the levels requested by the Department of Defense. Benefits were added and increased by more than what most active-duty personnel sought, expected, or had been promised when joining the military. Congress also added a new healthcare benefit and approved DOD proposals to increase housing allowances. As a U.S. Senator I supported such proposals. It was the right thing to do at the time, given the burdens being placed on our servicemembers, the military's recruiting and retention challenges, and the fact that we had few constraints on defense spending.

But today DOD faces a vastly different fiscal situation—and all the services have consistently met recruiting and retention goals. This year we're concluding combat operations in America's longest war, which has lasted 13 years. Now is the time to consider fair and responsible adjustments to our overall military compensation package.

America has an obligation to make sure servicemembers and their families are fairly and appropriately compensated and cared for during and after their time in uniform. We also have a responsibility to give our troops the finest training and equipment possible—so that whenever America calls upon them, they are prepared with every advantage we can give them so that they will return home safely to their families. The President's budget fulfills both of these promises to our servicemembers and their families by making several specific proposals.

Basic Pay Raises

For fiscal year 2015 we are requesting 1 percent raise in basic pay for military personnel—with the exception of general and flag officers, whose pay will be frozen for a year. Basic pay raises in future years will be similarly restrained, though raises will continue.

DOD rightfully provides many benefits to our people; however, finding the money to meet these commitments while protecting training and readiness under tighter budgets will require some structural adjustments to three of them—housing, commissaries, and TRICARE.

Housing

In the early 1990s, DOD covered only about 80 percent of servicemembers' total off-base housing costs. Since then, we increased that rate to 100 percent.

To adequately fund readiness and modernization under constrained budgets, we need to slow the growth rate of tax-free basic housing allowances (BAH) until they cover about 95 percent of the average servicemember's housing expenses. We would also remove renters' insurance from the benefit calculation.

This change will happen over several years, to ensure that our people have time to adjust to it. And, in order to ensure that military personnel don't have to pay more out-of-pocket after they've signed a lease, a servicemember's allowance won't be adjusted until they've moved to a new location. This means that no one currently living in a particular area will see their housing allowances actually decrease; only servicemembers moving into the area will receive the lower rate, which is what already happens under the current rules when housing market prices go down.

To account for geographic differences in housing costs, we will also design this adjustment to ensure that all servicemembers in the same pay grade have identical out-of-pocket costs. That way, once the overall change has been fully phased-in for all personnel, servicemembers in the same pay grade but living in different areas would end up paying the same dollar amount toward their housing costs—and they'll know exactly how much that will be so that they can make informed decisions and trade-offs in their own budgets.

All of these savings will be invested back into the force, to help keep our people trained and equipped so they can succeed in battle and return home safely to their families.

Commissaries

There's no doubt that commissaries provide a valued service to our people, especially younger military families and retirees. For this reason, we're not directing any commissaries to close.

Like our base exchanges, commissaries currently do not pay rent or taxes. That won't change under any of our proposals. But unlike base exchanges, commissaries also receive \$1.4 billion in direct subsidies each year. In order to adequately fund training and readiness under constrained budgets, we need to gradually reduce that subsidy by \$1 billion (about two-thirds) over the next 3 years.

Stateside commissaries have many private-sector competitors, and it's not unreasonable for them to operate more like a business. Since commissaries still operate rent-free and tax-free, they will still be able to provide a good deal to servicemembers, military families, and retirees as long as they continue to shop there. Going forward, only commissaries overseas or in remote U.S. locations would continue receiving direct subsidies, which, for example, not only helps pay to ship U.S. goods to bases overseas, but also helps those who either may not have the option of a local grocery store or are stationed where food prices may be higher.

TRICARE

In recent years, Congress has permitted DOD to make some changes that slow the growth in military healthcare costs; however, these costs will continue to grow, and we need to slow that growth in order to free up funds for training and readiness. So we need to make some additional smart, responsible adjustments to help streamline, simplify, and modernize the system while encouraging affordability.

Merging three of our TRICARE health plans for those under 65—Prime, Standard, and Extra—into a single, modernized health plan will help us focus on quality while reducing complexity and administrative costs. The new plan would adjust co-pays and deductibles for retirees and some active-duty family members in ways that encourage TRICARE members to use the most affordable means of care, such as military treatment facilities and preferred providers.

Some important features of the military healthcare system will not change. The scope of benefits will not change, and we will continue to distinguish between in-network and out-of-network care. Active-duty personnel will still receive healthcare that is entirely free—that's the promise we make when they sign up, and it's a promise we intend to keep. Medically retired personnel and survivors of those who died on active duty will continue to be treated favorably, with no participation fees and lower co-pays and deductibles. And DOD will continue to support our programs for wounded warriors.

With the TRICARE single health plan, active-duty family members and retirees under age 65 will be able to save more money by using military treatment facilities (MTF) if they're close to home, which are often under-used. More than 90 percent of active-duty servicemembers and their families live within an MTF's 40-mile-radius service area. For families of active-duty servicemembers stationed far away from MTFs, such as recruiters, all their care will continue to be considered "in-network" even if there are no network care providers in their remote location.

Under this proposal, the share of costs borne by retirees will rise from about 9 percent today to about 11 percent—still a smaller cost share than the roughly 25 percent that retirees were paying out-of-pocket when TRICARE was initially set up in the 1990s. And while we will ask retirees and some active-duty family members to pay modestly more, others may end up paying less. Overall, everyone's benefits will remain substantial, affordable, and generous—as they should be.

Given these proposed efforts to modernize and simplify TRICARE for retirees under age 65, we did not resubmit last year's request for sharp increases in enrollment fees for these retirees.

For retirees who are old enough to use Medicare and who choose to have TRICARE as well—what we call TRICARE-For-Life (TFL)—we would ask new members to pay a little bit more as well. Since TFL coverage currently requires no premium or enrollment fee, DOD again proposes a small per-person enrollment fee equal to 1 percent of a retiree's gross retirement pay up to a maximum of \$300 per person—comparable to paying a monthly premium of no more than \$25. For retired general and flag officers, the maximum would be \$400 per person. Current TFL members would be grandfathered and exempted from having to pay enrollment fees. Even with this small enrollment fee, TFL members will still have substantial, affordable, and generous benefits—saving them thousands of dollars a year compared to similar coverage supplementing Medicare.

Congress has taken helpful steps in the past, authorizing adjustments to the TRICARE pharmacy co-pay structure and initiating a pilot program for TFL members to refill prescriptions for maintenance medications (such as those that treat

high blood pressure and high cholesterol) by mail order. These are good practices that we must now build upon in order to better encourage more TRICARE members to use generics and mail-order prescriptions, which help save the most money. Under our plan, MTFs will continue filling prescriptions without charging a co-pay, while all prescriptions for long-term maintenance medications will need to be filled either at MTFs or through the TRICARE mail order pharmacy. To ensure that our people aren't caught off-guard and have time to make the necessary adjustments, our plan would be slowly phased in over a 10-year period.

Military Retirement

Our proposals do not include any recommended changes to military retirement benefits for those now serving in the Armed Forces. Because military retirement is a complex and long-term benefit, it deserves special study. Therefore, we are working with and waiting for the results of the Military Compensation and Retirement Modernization Commission, which is expected to present its report in February 2015, before pursuing reforms in that area. But DOD continues to support the principle of "grandfathering" for any future changes to military retirement plans.

Why Now

DOD's military and civilian leaders conducted substantial analysis to arrive at our proposed package of compensation adjustments. We concluded that, even after we make these changes and slow the growth in military compensation, we will still be able to recruit and retain a high-quality force and offer generous, competitive, and sustainable benefits.

These proposed compensation adjustments will be phased in over time, but they must begin now because budget limits are already in place. If we wait, we would have to make even deeper cuts to readiness or force structure in order to comply with the budget caps that Congress has passed into law. We must be able to free up funds in order to provide our men and women in uniform with the tools and training they need to succeed in battle and return home safely to their families. Sustaining a well-trained, ready, agile, motivated, and technologically superior force depends on it.

To be clear, our proposals were carefully crafted to reform military compensation in a fair, responsible, and sustainable way, making the most modest adjustments we could afford. We took a holistic approach to this issue, because continuous piecemeal changes will only prolong the uncertainty and create doubts among our personnel about whether their benefits will be there in the future.

We recognize that no one serving our Nation in uniform is overpaid for what they do for our country. But if we continue on the current course without making these modest adjustments now, the choices will only grow more difficult and painful down the road. We will inevitably have to either cut into compensation even more deeply and abruptly, or we will have to deprive our men and women of the training and equipment they need to succeed in battle. Either way, we would be breaking faith with our people. And the President and I will not allow that to happen.

We're also recommending freezing generals' and admirals' pay for 1 year. And as I've already announced, I'm cutting the budget of the Office of the Secretary of Defense by 20 percent. The Joint Staff, the Service Chiefs, and the Combatant Commanders are cutting their management headquarters operating budgets by 20 percent as well. We're also continuing to focus on acquisition reform and asking for another round of authority for Base Realignment and Closure.

These are tough choices that are made with the full support of the Joint Chiefs of Staff. All the savings associated with these changes will go toward providing our people with the tools and training they need in order to fight and win on the battlefield and return home safely to their families. If Congress does not permit these changes to go into effect, but leaves in place the current budget caps, we run the risk of creating a military that is well-paid but not well trained and equipped.

RISKS IN THE PRESIDENT'S BUDGET

I've outlined the funding levels the Chairman, the Chiefs, and I believe we need to protect this country, and the decisions we had to make to stay within the limits agreed to in the Bipartisan Budget Act. They add some risks to our defense strategy, but manageable ones.

Over the near-term, because of budget limitations even under the Bipartisan Budget Act and after 13 years of war, the military will continue to experience gaps in training and maintenance—putting stress on the force and limiting our global readiness even as we sustain a heightened alert posture in regions like the Middle East and North Africa.

We continue to face the constant risk of uncertainty in a dynamic and volatile security environment. Budget reductions inevitably reduce the military's margin of error in dealing with these risks, as other powers continue to modernize their weapons portfolios, to include anti-air and anti-ship systems. And a smaller force strains our ability to simultaneously respond to more than one major contingency at a time. The President's budget allows our military to continue to have the capability to defeat any aggressor.

SEQUESTRATION'S EFFECT ON PROGRAMS AND RISK

If sequestration-level cuts are re-imposed in fiscal year 2016 and beyond, if our reforms are not accepted, or if uncertainty on budget levels continues, our analysis has shown that we would have to make unavoidable decisions and choices that would significantly increase those risks. As I've made clear, the scale and timeline of continued sequestration-level cuts would require greater reductions in the military's size, reach, and margin of technological superiority. That means fewer planes, fewer ships, fewer troops, and a force that would be under-trained, poorly maintained, and reliant on older weapons and equipment:

- The Army would have to draw down the active-duty force to 420,000 soldiers, the Army Guard to 315,000 soldiers, and the Army Reserve to 185,000 soldiers. The Army Guard would have 50 fewer Light Utility Helicopters.
- The Navy would have to retire a 25-year-old aircraft carrier—the USS *George Washington*—and her carrier air wing ahead of her scheduled nuclear refueling and overhaul. It would also have to immediately lay up six additional ships, defer procurement for one submarine, and buy two fewer F-35Cs and three fewer DDG-51 guided missile destroyers between fiscal year 2015 and fiscal year 2019. The Navy would ultimately have 10 fewer large surface combatants than would be expected under the President's funding levels.
- The Marine Corps would have to draw down to 175,000 Marines. While we would still devote about 900 Marines to increased Embassy security around the world, this reduction would entail some added risk for future contingencies as well as sustaining the Marines' global presence.
- The Air Force would have to retire 80 more aircraft, including the entire KC-10 tanker fleet and the Global Hawk Block 40 fleet, as well as slow down purchases of the Joint Strike Fighter—resulting in 15 fewer F-35As purchased through fiscal year 2019—and sustain 10 fewer Predator and Reaper 24-hour combat air patrols. The Air Force would also have to take deep cuts to flying hours, which would prevent a return to adequate readiness levels.
- Across DOD, operation and maintenance funding—an important element of the budget that supports readiness—would grow at only about 2 percent a year under sequestration compared to about 3 percent a year under the President's budget. This will hamper or even prevent a gradual recovery in readiness. Funding for research, development, testing, and evaluation would decline by 1.3 percent a year under sequestration instead of increasing by 1.6 percent under the President's budget. And there would be no recovery in funding for military facilities repairs and construction.

If we don't get some clarity in our future funding, we will have to start implementing those changes. Although future developments in the security environment might require us to modify some of these specific plans, the strategic impacts are clear. Under the funding levels that the President and I are asking for, we can manage the risks. Under a return to sequestration spending levels, risks would grow significantly, particularly if our military is required to respond to multiple major contingencies at the same time.

Our recommendations beyond fiscal year 2015 provide a realistic alternative to sequestration-level cuts, sustaining adequate readiness and modernization most relevant to strategic priorities over the long term. But this can only be achieved by the strategic balance of reforms and reductions that we have presented in this budget. This will require the Congress to partner with the Department of Defense in making politically difficult choices.

OUR SHARED NATIONAL INTEREST

Formulating this budget request required new ways of thinking about both short-term and long-term challenges facing our country.

I look forward to working with the Congress in finding the responsible ground with the required resources to protect America's interests.

I appreciate this opportunity to discuss the President's fiscal year 2015 budget request for the Department of Defense, and I look forward to your questions.

Mr. Chairman, thank you.

Senator DURBIN. Thanks, Mr. Secretary.
General Dempsey.

**STATEMENT OF GENERAL MARTIN DEMPSEY, CHAIRMAN, JOINT
CHIEFS OF STAFF**

General DEMPSEY. Thank you, Chairman Durbin, members of the committee. I appreciate the opportunity to come before you today and speak about our defense budget for 2015.

I want to add my appreciation to Under Secretary Hale for his many years of service to the Department and to the Nation.

Let me begin by commenting on Iraq. The men and women who served in Iraq did exactly what we asked them to do. Al-Qaeda-inspired extremists raising flags over Iraq's embattled cities triggers in me the same thing that runs through the minds of any veteran who served there, which is bitter disappointment that Iraq's leaders failed to unite for the good of their people. I share alarm about the future of Iraq, and we are developing a full range of options to help stabilize the region.

Let me also speak to Afghanistan. Our men and women remain fully engaged on the mission at hand. They continue to build the institution of the Afghan National Security Forces, who secured the recent elections that will allow the first democratic transition of power in Afghanistan's history.

The decision on troop numbers beyond 2014 positions us to support Afghanistan's transition. It aligns military objectives with resources and allows us and our allies to plan for 2015 and 2016 while continuing to focus on the important work at hand this year.

Three months ago, I met with my NATO (North Atlantic Treaty Organization) counterparts in Brussels. The threat of further Russian coercion to the East in a growing ARC of instability to NATO's southern flank weigh heavily on our allies. And last week, the Joint Chiefs and I met with the United Kingdom's combined chiefs in London for the first such meeting in London since 1948. We agree that now is not the time for business as usual. We can't think too narrowly about future security challenges, nor can we be too certain that we'll get it right.

Each of my international engagements reaffirm that U.S. military primacy is still regarded as the world's best hope for stability and prosperity, but there is a real sense that our primacy may be at risk; in part because of the choices being made in this city on the defense budget.

As I said last year, we need time, certainty, and flexibility to balance the institution and to allow us to meet the Nation's needs for the future. Without these things, our commitments to our allies and partners, to the defense industrial base, and to the men and women who serve in uniform and their families will be placed in jeopardy. It will undercut the reassurances that I just spent a good deal of my time delivering around the world.

At the same time, this Congress has demanded, correctly, that we be more strategic, efficient, and innovative in the way we do business. This budget, in real terms, does all of these things. It's a pragmatic way forward that balances, as best as it can be balanced, our national security and our fiscal responsibilities. Yet, our efforts to reshape and reform the military continue to be rejected.

We have infrastructure that we don't need and, with your support, we ought to be able to divest. We have legacy weapons systems that we can't afford to sustain and, with your support, we ought to be able to retire. We have personnel costs that have grown at a disproportionate rate, and we ought to be able to make modest adjustments that will make the All-Volunteer Force more affordable and sustainable over time.

Failing to act on these issues is a choice, itself, one that will force us into an unbalanced level of cuts to our readiness and modernization. And when major portions of the budget are rendered untouchable, readiness pays the bill. This ultimately makes our force less effective than this Nation needs it to be.

PREPARED STATEMENT

If sequestration-level cuts return in 2016, the options that we will be able to provide the Nation shrink, and the risks will become, in my judgment, unmanageable. This is a reckless and unnecessary path.

I know these issues weigh heavily on the minds of our men and women in uniform and their families. I hear about it constantly. And I know they weigh heavily on you.

Mr. Chairman, members of this committee, thank you for your support, and I stand ready to answer your questions.

[The statement follows:]

PREPARED STATEMENT OF GENERAL MARTIN E. DEMPSEY

Chairman Durbin, Vice Chairman Cochran, and distinguished members of this subcommittee, it is my privilege to report to you on the state of America's Armed Forces, our accomplishments over the last year, the opportunities and challenges ahead, and my vision for the future force.

We are in our Nation's 13th year at war. I am extremely proud to represent the men and women of our Armed Forces. *Volunteers all, they represent America at its very best.*

It is these Soldiers, Sailors, Airmen, Marines, and Coast Guardsmen—America's sons and daughters—who will face tomorrow's challenges with the strategy, structure, and resources we develop today. Our men and women are our decisive edge. Sustaining our military strength in the face of an historic shift to the future means making sure that the force is in the right balance.

In the near term, our mission in Afghanistan will transition, while we reset a force coming out of more than a decade of continuous conflict. We will sustain—in some cases adjust—our commitments around the globe to keep our Nation immune from coercion. And, we must do all of this with decreasing defense budgets. As a result, we will have to assume risk in some areas to create opportunity in others. This will require carefully prioritizing investments in readiness, training, modernization, and leader development.

Our men and women in uniform are the cornerstone of this Nation's security and our strongest bridge to the future. They are trusting us to make the right choices. So are the American people.

JOINT FORCE OPERATIONS

America's military has been in continuous conflict for the longest period in our Nation's history. But the force remains strong. The Joint Force today is as diverse and rich in experience as it has ever been. Our men and women remain engaged around the globe supporting our Nation's interests. They are defeating adversaries, deterring aggression, strengthening partners, and delivering aid.

Over the past year, our men and women have continued to fight, transition, and redeploy from Afghanistan. In June of last year, the Afghans reached a decisive milestone as they assumed lead responsibility for their own security. This signaled a shift in our primary mission from combat to training, advising, and assisting the

Afghan forces, who recently supported the national elections that will allow the first democratic transition of power in Afghanistan's history.

The President's recent decision on troop numbers beyond 2014 positions us to support Afghanistan's transition. It aligns our objectives with resources, builds on 12 years of effort, and allows us to plan for 2015 and 2016, while continuing to focus on the work at hand this year. It also provides a blueprint for working regional issues with regional partners.

The Joint Force continues to serve in and around an unpredictable Middle East through military-to-military exercises, exchanges, and security assistance. We are actively reinforcing our partners along Syria's borders to help contain violence, care for refugees, and counter the spread of violent extremism. We continue to pursue violent extremist organizations both directly and through our partners where U.S. and allied interests are threatened. This includes support to partners in Yemen, and to French and African partners in Mali. Our military is also working closely with the U.S. Department of State to help restore security and stability in the Central African Republic and South Sudan.

We have deepened our traditional security ties in the Asia Pacific. In addition to our support for Typhoon Haiyan recovery efforts, we have strengthened cooperation with our allies and partners through military activities and force posture. We have maintained an active presence in the South and East China Seas, while also remaining prepared to respond to provocations on the Korean Peninsula.

We also remain postured with our interagency partners to detect, deter, and defeat threats to the homeland—to include ballistic missile defense, countering terrorism, and safeguarding against cyber-attack on government and critical infrastructure targets. Our men and women work collaboratively with other U.S. agencies, with forward-stationed State Department professionals, and with regional allies and partners to keep the Nation safe. Across all of these security operations, the Joint Force remains ready with military options if called upon.

BALANCING GLOBAL STRATEGIC RISK

The global security environment is as fluid and complex as we have ever seen. We are being challenged in pockets throughout the world by a diverse set of actors—resurgent and rising powers, failing states, and aggressive ideologies. Power in the international system is shifting below and beyond the nation-state. At the same time, *the balance between our security demands and available resources has rarely been more delicate.*

The confluence of wide-ranging transitions, enduring and new friction points, and “wild cards” can seem unsolvable. Yet, understanding the interrelationships between trends reshaping the security environment offers opportunities to begin to solve some of the world's perplexing and prolonged challenges.

In any effort, the military does not do it alone. We must bring to bear every tool of national power in America's arsenal. Our distributed networks of allies and partners are equally indispensable. Together, we can build shared understanding and develop focused, whole approaches that share the costs of global leadership. Deepening these hard-won relationships of trust and building the capacity of our partners will be more vital in the years ahead.

In this context, *the Joint Force of the future will require exceptional agility in how we shape, prepare, and posture.* We will seek innovation not only in technology, but also in leader development, doctrine, organization, and partnerships. We must be able to rapidly aggregate and disaggregate our formations, throttle up force and just as quickly, throttle it back.

We will have to be more regionally focused in our understanding and globally networked in our approaches. We will be adaptable to combatant commander priorities to prevent conflict, shape the strategic environment, and—when necessary—win decisively.

And, importantly, we will have to balance these competing strategic objectives in the context of a resource-constrained environment. *We must be frank about the limits of what the Joint Force can achieve, how quickly, for how long, and with what risk.*

Accordingly, we will need to challenge assumptions and align ambitions to match our combined abilities. Our force's greatest value to the Nation is as much unrealized as realized. We need to calibrate our use of military power to where it is most able and appropriate to advance our national interests. Our recent wars have reminded us that our military serves the Nation best when it is synchronized with other elements of national power and integrated with our partners.

BALANCING THE FORCE

As part of an historic shift to the future, the institution is fundamentally re-examining itself to preserve military strength in the face of the changing security environment and declining resources. Here are five ways in which we are working to make sure the Joint Force remains properly balanced over time:

Resource Allocation

We are resetting how we allocate our budget among manpower, operations, training, maintenance, and modernization. Disproportionate growth in the cost per servicemember is overburdening our manpower account and threatening to erode combat power. We have to bring those costs back into balance with our other sacred obligations to the Nation.

The President's fiscal year 2015 budget request, importantly, reflects the needed personnel reductions, institutional streamlining, and administrative changes that better reflect our military's more limited resources. We will keep driving towards becoming more steel-plated on all fronts—shedding waste, redundancy, and superfluity in our organizations and processes. We are rebalancing our tooth-to-tail ratio by shrinking the Department's headquarters, overhead, and overseas infrastructure costs. We are taking steps to improve our acquisitions enterprise. And, we will make the tough choices on force structure.

We will never end our campaign to find every way to become more effective. Yet, we have already seen that not every effort generates the savings we need as fast as we need them. And some proposals to shed excess infrastructure have not gained the support of Congress, most notably our calls for a Base Realignment and Closure round and requests to retire legacy weapons systems we no longer need or can afford.

Getting our personnel costs in balance is a strategic imperative. We can no longer put off rebalancing our military compensation systems. Otherwise we are forced into disproportionate cuts to readiness and modernization. We price ourselves out of the ability to defend the Nation.

We must work together to modernize and optimize our compensation package to fairly compensate our men and women for their service. We should provide the options and flexibility that they prefer and shift funds from undervalued services to the more highly valued benefits, as we reduce our outlays.

We need to *slow the rate of growth* in our three highest cost areas: basic pay, healthcare, and housing allowances. The Joint Chiefs, our senior enlisted leaders, and I also strongly recommend *grandfathering any future proposed changes to military retirement*, and we will continue to place a premium on efforts that support wounded warriors and mental health.

To that end, I look forward to working in partnership with Congress and the American people on a sensible approach that addresses the growing imbalances in our accounts, enables us to recruit and retain America's best, and puts the all-volunteer force on a viable path for the future.

We should tackle this in a comprehensive package of reforms. Piecemeal changes are a surefire way to fray the trust and confidence of our troops. They want—and they deserve—predictability.

Geographic Shift

The United States remains a global power and our military is globally engaged. While we transition from the wars of the past decade, we are focusing on an evolving range of challenges and opportunities. *Our military will continue to have deep security ties in the Middle East and globally.* And, we are—of necessity—continuing the rebalance to the Asia Pacific as part of our Government's larger priority to strengthen the future stability and growth in that region.

Broadly, this geographic rebalance reflects where the future demographic, economic, and security trends are moving. In a sense, it is “skating to where the puck is going,” as hockey great Wayne Gretzky used to say. As such, we are—over time—investing more bandwidth in our relationships in the Asia Pacific, engaging more at every level, and shifting assets to the region, to include our best human capital and equipment.

Europe remains a central pillar to our national security and prosperity. Our NATO alliance has responded to security challenges in Afghanistan, Africa, and the Middle East. The most successful and durable alliance in history, NATO transcends partnership because common values underpin our 65-year-old alliance. The threat of further Russian coercion to the east, a growing arc of instability to the south, and preparations for a post-2014 mission in Afghanistan weigh heavily on the minds of my NATO counterparts. I remain confident that the alliance is strong, capable, and

resolute as it faces and overcomes these challenges. Going forward, we will all benefit from the security NATO provides.

Preparing across the Spectrum

Our force is coming out of more than a decade of focusing primarily on one particular kind of fight centered on the Middle East. As a result, we have become the finest counterinsurgency force in the world.

Current and future security challenges mandate that we broaden our approach. Across the Services, we are resetting how we train units and develop leaders to account for conflict across the spectrum. This includes those critical conventional areas that—by necessity—were deemphasized over the past decade.

We are also pluralizing our partnerships with other agencies and nations. With the global terrorism threat specifically, we are rebalancing our emphasis towards building or enabling our partners, while retaining the capability to take direct action ourselves.

Remaining the security partner of choice increases our Nation's collective ability to safeguard common interests and support greater stability in weaker areas of the world. Improving partner capability and capacity in a targeted way is an important component of our military strategy, especially as our resources become more constrained.

Force Distribution

In keeping with the evolving strategic landscape, our force posture must also evolve. As we emerge from the major campaigns of the last decade, we are developing new approaches across and within commands in the way we assign, allocate, and apportion forces inside a broader interagency construct.

We are determining how much of the force should be forward-stationed, how much should be rotational, and how much should be surge ready in the homeland. Baseline forces in each combatant command will allow us to predictably engage with and assure partners and deter adversaries. Baseline does not mean equal resources. We seek instead a *force distribution appropriately weighted to our national interests and threats*.

Our military has become more integrated operationally and organizationally across the Active, Guard, and Reserve, especially over the past decade. We are working to determine the most effective mix of each of the components to preserve the strength we have gained as a more seamless force. This too will be different across the combatant commands. For example, many relationships in Europe—especially the newest NATO partner nations—benefit from the National Guard-led State Partnership Program, which is in its 20th year. Relationships such as these will help us to sustain the capabilities we will require in the years ahead.

Also to strengthen the Joint Force, we are committed to offer everyone in uniform equal professional opportunities to contribute their talent. Rescinding the Direct Ground Combat Rule last January has enabled the elimination of gender-based restrictions for assignment. The Services are mid-way through reviewing and validating occupational standards with the aim of integrating women into occupational fields to the fullest extent over the next 2 years. We are proceeding in a deliberate, measured way that preserves unit readiness, cohesion, and the quality of the all-volunteer force.

Additionally, as our force draws down, the remarkable generation that carried the best of our Nation into battle is transitioning home and reintegrating into civilian life. We will keep working with the Department of Veterans Affairs, other agencies, and communities across the country to make sure they have access to healthcare, quality education opportunities, and meaningful employment. This generation is not done serving and our efforts to enable them to contribute their strengths should be viewed as a direct investment in the future of America.

Competence and Character

We are making sure that as the Nation's Profession of Arms, we remain equally committed to competence and character throughout our ranks. The pace of the last decade, frankly, may have resulted in an overemphasis on competence. Those we serve call for us to be good stewards of the special trust and confidence gifted to us by our fellow citizens—on and off the battlefield.

Even as—especially as—we take this opportunity to remake our force and its capabilities, we owe it to the American people and to ourselves to also take an introspective look at whether we are holding true to the bedrock values and standards of our profession. Historically, the military has done precisely this after coming out of major periods of conflict.

The vast majority serve honorably with moral courage and distinction every day. But sexual assault crimes, failures of leadership and ethics, and lapses of judgment

by a portion of the force are evidence that we must do more—and we are. These issues have my ongoing and full attention.

It has been and continues to be one of my foremost priorities as Chairman to rekindle within the force both its understanding and its resolve as a profession. We must strengthen the enduring norms and values that define us and continue to be a source of trust and pride for our Nation.

We are looking at who we are promoting. More importantly, we are looking at *what* we are promoting—the standards, the ethos, the essence of professionalism. We know that we can never let our actions distance us from the American people, nor destroy the message that draws many into the ranks of the military in the first place.

To that end, we are advancing a constellation of initiatives towards our continued development as professionals. These include 360 degree reviews, staff assistance and training visits to senior leadership, and a deeper investment in character development and education through the span of service. We are detecting and rooting out flaws in our command culture and promoting an ethos of accountability across the ranks. *We know we own this challenge and we are committed to meeting it.*

BALANCING STRATEGIC CHOICES

Our military's ability to field a ready, capable force to meet global mission requirements has been placed at risk by layered effects of the operational pace and converging fiscal factors of recent years.

The funds above sequester levels passed by this Congress in the Bipartisan Budget Agreement allow us to buy back some lost readiness and continue to make responsible investments in our Nation's defense. It doesn't solve every readiness problem and is no long-term solution to sequestration, but it does give us a measure of near-term relief and stability.

The Joint Chiefs and I are grateful for Congress's support of the efforts to return units to the necessary levels of readiness. It helps us preserve options for the Nation and ensure that our troops can do what they joined the military to do. Likewise, we appreciate the dialogue engendered in these chambers to determine the kind of military the American people need and can afford—the right mix of capabilities and programs to protect our national interests.

While we have achieved a degree of certainty in our budget for the next 2 years, we still don't have a steady, predictable funding stream, nor the flexibility and time we need to reset the force for the challenges we see ahead.

This tension comes at a time when winning together through jointness has been at its peak. If we don't adapt from previous approaches toward a sounder way to steward our Nation's defense, *we risk ending up with the wrong force at the wrong time.*

The President's fiscal year 2015 budget request represents a balanced, responsible, and realistic way forward. It leads to a Joint Force that is global, networked, and provides options for the Nation. It helps us rebuild readiness in areas that were deemphasized over the past decade, while retaining capacity and capability. It supports the reset and replacement of battle-damaged equipment and helps us meet future needs by balancing force structure, readiness, and modernization priorities. It invests in missile defense and in modernizing the nuclear enterprise. It allows us to advantage intelligence, surveillance, and reconnaissance (ISR), Special Operations Forces (SOF), and cyber, while making adjustments to the conventional force.

To be clear, we do assume higher risks in some areas under the fiscal year 2015 proposal, but this budget helps us to remain the world's finest military—modern, capable, and ready, even while transitioning to a smaller force over time. If sequester-level cuts return in 2016, the risks will grow, and the options we can provide the Nation will shrink.

The Joint Chiefs and I remain committed to making the tough choices—carefully informed—that preserve our ability to protect our Nation from coercion and defend the American people. Our sacred obligation is to make sure our men and women are never sent into a fair fight. That means we must make sure they are the best led, best trained, and best equipped in the world.

But we need help from our elected leaders to rebalance the force in the ways I have described. This includes, importantly, making the financially prudent, strategically informed reductions we need.

The opportunity is ours in the months ahead to carry the hard-earned lessons learned of our Nation's wars into the context of today, to set the conditions to prepare the force to address the challenges of tomorrow, and to sustain and support our dedicated men and women in uniform and their families. I look forward to seizing these opportunities together.

Thank you for your enduring support.

IRAQ

Senator DURBIN. Thank you, General Dempsey.

It is difficult, here, to separate out the lines of questioning. There is clearly an important line of questioning related to the budget, an important line of questioning related to today's threats. They do merge, at some point, and so we have to pick and choose.

But let me start with Iraq. Secretary Hagel, 13 years ago, when we were both serving in the United States Senate, we faced a historic vote on whether the United States would go to war in Iraq. It was a long and involved and bitter debate. But the Senate finally decided to give authority to President Bush to go forward with that invasion of Iraq.

And here we stand today, 13 years later, having lost 4,484 brave Americans in Iraq, tens of thousands returning with the scars of war, applying for disabilities with our VA at a record level, pushing that agency to the brink, in terms of providing those services, having spent several trillion dollars added to our deficit, in a situation where we invested billions of dollars so that the Iraqis would be able to defend themselves. I will concede political ineptitude when it came to the leadership of Iraq. Some of the decisions made by Mr. Maliki were disastrous and divided his country instead of unifying it and building it for the future.

But now we find ourselves in a curious position. One of the four hard targets of the United States is Iran, which has been a source of great concern for the United States and a threat to stability to the Middle East and the world. And now we find conjecture and speculation that we need to work with Iran to stabilize Iraq.

Can you tell me first: How did we find ourselves in this position? Is this the right course to follow? What have we learned about the situation in Iraq that we can apply to Afghanistan, in terms of their ability to defend themselves once we're gone?

Secretary HAGEL. Well, Mr. Chairman, I wish I was wise enough to sort all of that out for you and give you a clear, concise answer, but let me respond this way.

First, on the comparison with Afghanistan, it is my judgment that the two bear very little comparison, for many reasons. First, Afghanistan is not Iraq for—internally, historically, ethnically, religiously. Second, there's strong support in Afghanistan today for America's continued, as well as our NATO ISAF (International Security Assistance Force) partners, presence there, which—both presidential candidates have said they would sign a Bilateral Security Agreement. Election just took place a few days ago. They'll certify that election, here, in a couple of weeks. So, that aside, I think there are many, many differences between Iraq and Afghanistan.

But back to your more fundamental question. Let's take one piece: Iran. Let's not forget that when we went in—the United States went into Afghanistan in late 2001, actually early on we had worked with the Iranians on that western border of Afghanistan. So, there is some history, here, of sharing common interests. We have significant differences, obviously. That's what Vienna is about, what's going on there now, as well as other interests. Iran is a state sponsor of terrorism. All the other issues.

But when it comes to the common interests of a nation, whether it's the United States or any nation, that's what forges some kind of reality to what we're dealing with. Certainly, Iraq is a good example. All the neighbors in Iraq are being, will be, affected by what's going on there. These are regional issues. Syria is a regional issue. ISIL (Islamic State of Iraq and the Levant) and the other terrorist groups, those affiliated with al-Qaeda, all are a threat to all nations, all governments, certainly including us.

So, I don't think these issues come neatly wrapped in geopolitical graduate-school papers. They are complicated. They are intertwined with history, with tribal differences, religious differences, ethnic differences. In Iraq, I think the opportunities that we presented after a rather significant and committed number of years there, where President Bush signed, with then-Prime Minister Maliki in 2008, a Strategic Framework Agreement, which laid out when America's troops would be out of Iraq. This was signed in December of 2008. We presented the Iraqis with tremendous opportunities to govern themselves, defend themselves. We continue to support Iraq. We've accelerated our FMF (Foreign Military Financing) program with Iraq. But we can't dictate outcomes. It's up to the Iraqi people.

So, I know that's kind of a wave-top answer, but it's all those complications fit together, and we are faced with the reality of dealing with the reality we've got on the ground right now threatening our interests. All the nations of this area—GCC (Gulf Cooperation Council) nations—are threatened. And certainly Iran is threatened.

RUSSIAN TROOPS

Senator DURBIN. General Dempsey, I don't know that there's any end to the ambition of Vladimir Putin. I do believe that there is one tripwire. He has shown that he's willing to invade the Republic of Georgia and to take over territory, which I have seen, the barbed wire that separates what was once part of the Republic of Georgia now being controlled by Russian troops. He has shown that he's willing to invade with people wearing, I wouldn't call them "uniforms," but parkas with no insignia on them to invade Crimea, Ukraine. It seems to me that the only tripwire to stop this man's naked ambition to restore the Russian empire is NATO. The obvious question for us in the West is: If and when the day comes when Putin decides to test us, will we be ready? Are our NATO allies ready to stand together to stop any aggression that he should exhibit toward members of our alliance?

General DEMPSEY. Well, Chairman, briefly, the tactic that Russia is using is one I would describe as proximate coercion, subversion, and misinformation. So, I doubt that there'll actually be a full-blown invasion, but we've got to be alert to the other tools that he may use to actually undermine stability, and notably in the Baltics and in some of our eastern European allies. Proximate coercion, ally your—array your forces on a border, and threaten the use of force. Subversion, as you've noted, by the introduction of surrogates and proxies. And misinformation, to get ethnic populations stirred up.

I think, actually, Russia lit a fire in Ukraine now that has somewhat burned out of their control. And I think Ukraine is in for a very difficult path as a result.

Our NATO allies are awakening to the fact that, for 20 years, they've taken European security for granted, and can no longer do so.

Senator DURBIN. Are they ready? Are we ready?

General DEMPSEY. You know, the questions about readiness would probably be best answered in a classified setting. But we're not as ready as we need to be.

Senator DURBIN. Senator Leahy.

Senator LEAHY. Well, thank you.

Secretary Hagel and General Dempsey, I want to thank you for taking the time to be here, especially with all that's going on in the world.

I join with the others who said compliments of Secretary Hale. He's been a tremendous help to this committee and to all of us here in the Senate, in both parties.

I also wanted to applaud our people in the Justice Department, the FBI (Federal Bureau of Investigation), the Department of Defense, Secretary Hagel, Attorney General Holder, and Director Comey for the capture of Ahmed Abu Khatallah. I'm also wearing my hat as Chairman of the Senate Judiciary Committee, I'm glad you're bringing him back here to be tried in our courts. We Americans have shown we are not afraid. We don't have to send these people off to Guantanamo. We can try them in our courts.

A member of my family just spent 10 months at Guantanamo, working with the military. I look at a place like that, where we're spending millions of dollars a year to lock people up. We could put them in maximum security here in the U.S. and get convictions. We're not afraid, just as we weren't when the Oklahoma City bomber, a great terrorist attacked, we used our courts. I have great confidence in them.

And I also look at the things that we have ahead of us. I was glad to see you reference, General Dempsey, our Guard and Reserves, as did Secretary Hagel. Senator Graham and I introduced a bill to establish a commission to provide advice to the Congress. We have 46 of our colleagues as cosponsors, including Senators Durbin and Cochran. The language has been incorporated in both the House-approved defense authorization and the version reported by the Senate Armed Services Committee, and I hope that when that becomes law, you will work very closely to make sure that it's followed.

Secretary HAGEL. We will follow the law, Senator.

Senator LEAHY. Yes, I know. It would have been news if you had said otherwise.

SEXUAL HARASSMENT

General Dempsey, you observed, last year, that, with sexual harassment and assault in the military, everyone had taken their eye off the ball. We've passed some major reforms, but the Department has also instituted even more on their own. Have they been effective? Where are we today in this?

General DEMPSEY. Our eyes are on the ball, and the initiatives that we've taken are beginning to positively affect the negative trend lines that I reported to you last year. We've got work to do, both at our own initiative and initiatives that the Secretary of Defense has directed us to undertake. And I think I would simply say to you that we're optimistic that we can turn—we have to turn this around. Forget about optimism. It does erode the foundation of trust on which our military relies. We will turn it around. And we've got our eye on the ball.

Senator LEAHY. Well, telling an old war stories, I remember, as a prosecutor, how difficult this could be in prosecuting these, depending upon how much the agencies involved with the various law—in that case, civilian law enforcement agencies were willing to actually look at these issues. As you know from your own long experience in the military, there's a wide variance among military commanders of how they look at this. I would urge you to keep pushing for some consistency throughout the military, just as we—we have to in our military academies. This is something, if we're going to encourage the best people to come in the military, we've got to show this is a zero-tolerance area.

General DEMPSEY. If I could react, Senator. I assure you that it is a zero-tolerance area. Also, we've got a level of consistency now that, if you're not aware of it, we should certainly make you aware of it. We've raised the level at which a decision can be made to investigate or not investigate, and we've got nine different ways that a young man or woman can report incidents. We have a level of consistency that I think would satisfy your concerns.

Senator LEAHY. Thank you very much.

And we've had these media accounts. Of course, as you know—and I'll direct this to both you and Secretary Hagel—we've had years of training provided by U.S. forces in Iraq, and then we saw so many of the Iraqi military just throw down their arms when the militants advanced on them. I'm not trying to compare apples to oranges, but do we face a similar situation in Afghanistan?

General DEMPSEY. Are you asking me, Senator?

Senator LEAHY. I ask you and then Secretary Hagel.

General DEMPSEY. Sure. Two divisions and—part of two, and one national police organization, did, in fact, throw down their arms and, in some cases, collude with, in some cases simply desert, in northern Iraq. And they did that, and, in fact, at—you can look back at some of our intelligence reports—they did that because they had simply lost faith that the central government in Iraq was dealing with the entire population in a fair, equitable way that provided hope for all of them.

AFGHANISTAN

You asked if that could happen in Afghanistan. The newly elected government will have a lot more to say about that than anyone here, although I will tell you that, of the two candidates, it is our assessment that there's a likelihood that they will be—try to form and maintain a unity government for Afghanistan. But I can't completely convince either myself or you that the risk is zero that that couldn't happen in Afghanistan.

Senator LEAHY. Secretary Hagel.

Secretary HAGEL. Senator, I would agree with what the Chairman said on his analysis.

I would go back to, partly, the answer I gave to Chairman Durbin, when he asked his question about Iraq/Afghanistan. There's no guarantee, which we know. There's no guarantee in life. It is up to the people of Afghanistan to make these decisions—their military, their new leadership that will be coming in as a result of their new government. We have helped them build, as well as 49 of our ISAF NATO partners, very significant military institutions—training, responsible. With the announcement of the President's plan, where we will be there another 2 years as we phase our transition, our roles, I think that's significant.

I think the progress made in Afghanistan has been very significant. Different dynamics, different ethnic/religious dynamics. Doesn't mean that they don't have differences in that country. That country has a very tortured history, as we all know. But I think we just stay steady, and we keep doing what we're doing. And I think the prospects of that turning out, where they, in fact, can defend themselves, they can govern themselves, and they can bring about an element of representative government and freedom and rights for all their people. I mean, that's as good as that—it can get. Beyond that, we can't dictate any more. We can only go so far in helping any country.

Thank you.

Senator LEAHY. Thank you, Mr. Chairman.

I will submit for the record a question on the Convention on Counselor Relations. I—we're trying to get that through. I think I know the Department of Defense's position, which I happen to agree with. And so, I will submit that for the record, and I would like a response on that.

Senator DURBIN. Thank you, Senator Leahy.

Senator COATS.

Senator COATS. Thank you, Mr. Chairman.

You know, based on my—Secretary Hagel and General Dempsey, welcome. Thank—based on my previous service in the Senate and some service now, I'm fully aware that the Pentagon has a contingency plan on the shelf for just about every possible scenario, everything from nuclear war to an invasion by Canada, and everything in between. My question is: Given what we've seen here happen in Iraq—maybe we didn't anticipate how stunningly quick a territory could be yielded and major cities could be taken over without resistance, but, nevertheless, after we failed to negotiate a SOFA agreement—Status of Forces Agreement—with Iraq, there had to be some anticipation that some of this territory would be up for grabs, that there would be scenarios where lack of confidence in the leadership or capability of the Iraqi military on its own would lead to something like this. Was there a plan on the shelf? If so, what is it? And if there wasn't, why isn't it?

And, General Dempsey, I noted, and I wrote down the quote, here—I think you said that we're in the process of developing options. That's different than having options already thought through and strategized.

I wonder if each of you could respond to that.

IRAQ

General DEMPSEY. Sure, Senator. Let me, first, assure you, we do not have a plan on the shelf for the invasion of Canada. I want to make sure that our Canadian allies who may be watching—

To your point about what options do we have, we generally—for nations where we're not in an active conflict, we generally describe our options in terms of what resources we can put around the situation, and then develop options, present them to our elected leaders for decision. And so, right now we've got a—we have a great deal of ISR assets committed to Iraq, we have a great many maritime assets and aviation assets committed to Iraq. And we've placed a few contingency, mostly for force protection of the United States Embassy and facilities, forces in and around Baghdad.

Now, that said, we have prepared options, we've been discussing them within the interagency. The President of the United States will meet today with Members of Congress in a classified session, and I certainly don't intend to foreshadow his conversation, but I would be happy, at some point, if you'd like, to provide a classified briefing on that subject.

Senator COATS. But isn't it a little bit late? I mean, the territory has already been lost, the cities have already been taken, the weapons—U.S. weapons have already been seized, the banks have been robbed, oil may be, or may not be, in control of the extremist groups, which is a great source of monetary resource. Isn't it too late now—

General DEMPSEY. Well—

Senator COATS [continuing]. To be sitting down and talking to Members of Congress and basically saying, "Let's look at the options"?

General DEMPSEY. Well, Senator, it's only late if you suggest that we could have stopped it in some way. And I think it's worth remembering, the real threat in Iraq that is common to all of us is ISIL, this organization called ISIL, which, as you know, started off as al-Qaeda in Iraq, went to Syria, and is now back in Iraq. So, this all started and stops with Iraq. And there is very little that could have been done to overcome the degree to which the Government of Iraq had failed its people. That's what has caused this problem.

Secretary HAGEL. Senator, may I add to that? One piece of your question, I think, was about surprise. Did we not anticipate this? To your point about planning. Some of you—Senator Graham, Senator Blunt, members of the—Senator Reed—Armed Services Committee—may recall, the Director of our Defense Intelligence Agency, General Flynn's testimony before the Senate Armed Services Committee in February. And in that testimony, he said that it is likely that, specifically, ISIL may well take territory in Iraq, or attempt to take territory in Iraq. Now, that doesn't negate, "Why weren't you prepared? Why didn't you know about it?"

The other part of that is—and I think it goes back to what General Dempsey was talking about—I think we were surprised that the Iraqi divisions, the—specifically, the ones that General Dempsey talked about, just threw down their weapons. We had obviously—as General Dempsey said, are always working options and

scenarios. We knew ISIL, for the reasons General Dempsey talked about, has been a threat in Syria and elsewhere.

So, again, I go back to, we can only do so much. We didn't have a presence in Iraq, as you know, for the very reason you mentioned, because the Iraqis would not give us the immunity and what we needed to get a SOFA.

So, I think all those are parts of the answer to your question, Senator.

Senator COATS. Would you agree, Mr. Secretary, that the current situation in Iraq is on our national economic and security interest?

Secretary HAGEL. Oh, I do agree, if for no other reason than oil. I mean, you mentioned energy and oil, and—it's a regional issue. I believe that. So, the ripple effect of what's going on there everywhere—

Senator COATS. Given that, do you think that we, therefore, should take—have some response, other than no response, at least to this point?

Secretary HAGEL. Well, I don't think it's a matter of no response. The—

Senator COATS. No response that's making a difference.

Secretary HAGEL. Well, I'm not sure of that. But I would give you the same response that General Dempsey did. The President is meeting with congressional leadership this afternoon.

Senator COATS. Do you think it's late?

Secretary HAGEL. I don't—

Senator COATS. Do you think it's too late? I mean, we've already lost the territory. They've already gained the control of the second-largest city in Iraq plus other cities that we lost blood and treasure, and people lost limbs and died to save. We've already lost it. So, it's like Crimea. Do we just say, "Oh, well, okay, fine, that's done let's just look forward"—

Secretary HAGEL. Senator, we didn't lose anything. The Iraqi government—

Senator COATS. Well, if it's in our national interest, we lost something.

Secretary HAGEL. Well, you could say that about a lot of things, but I think we ought to be clear. It wasn't the United States that lost anything. We turned a pretty significant situation over, as you noted, for the very reasons you noted, to the Iraqi people when we phased out of our military involvement in Iraq. And so, we have done everything we could to help them. But it's up to the Iraqis. They wanted to manage and govern their own country. So, I don't think we should assign the blame to the United States for this. I think we go back to who is responsible for this: ISIL. They invaded. But also, this current government in Iraq has never fulfilled the commitments it made to bring a unity government together with the Sunnis, the Kurds, and the Shi'a. We have worked hard with them within the confines of our ability to help them do that, but we can't dictate to them.

Senator COATS. Well, yes. My time is up, and I'll yield back. I'd simply want to say that there have been many situations in the history of this country that have been in our national interest, both economically and strategically, and we certainly haven't punted on some of those simply because the country that was—where it was

taking place didn't step up. I think that a lot of countries look to American leadership. And I'm not advocating any specific military action, but they are looking to leadership, in terms—like to know somebody's got their back. I think it might have been easier for those soldiers to shed their uniforms and run because they didn't have anybody at their back. And I know the SOFA agreement, and so forth and so on, but—to basically state that, just because the country didn't deliver what we wanted them to deliver, it's—it's something that's in our national security interest that we take a pass or wait too long before it's—until it's too late, I don't think is the kind of answer we want to get.

Mr. Chairman, I'm over my time.

Thank you.

Secretary HAGEL. When we're not there, we're not there. And, you know, I don't know what you would have expected the United States to do.

Senator COATS. Well, I would hope we could get somewhere.

Secretary HAGEL. Well, we are. That's what we've been doing the last week, and the President will talk to leaders of Congress. We've been briefing, by the way, in classified briefings the last few days, Members of Congress. So—

Senator COATS. I think it would be good if the President could talk to the Congress and talk to the American people and let us know where we are.

Secretary HAGEL. Thank you.

Senator DURBIN. Senator Reed.

SYRIA

Senator REED. Thank you, Mr. Chairman.

With respect, briefly, to Iraq, it is a State Department operation, basically, because it's—they run the Embassy and—but, in the context of CENTCOM (Central Command), particularly, have we been communicating, to Maliki and to his military, questions about their capacity and their willingness and their effective leadership? And have we made it clear, you know, in conjunction with General Flynn's testimony, that were real threats they faced, and they had to make adjustments? Is that something that was done?

General DEMPSEY. Senator, absolutely. And I'll—let me just give you one personal vignette. When the Syria issue began to manifest itself, I actually stopped in Baghdad personally and met with the most senior leaders of their government and their military, and described what I thought was an—and they were all, of course, worried about Syria, "What's going to come in from Syria to affect us?" And I said, "That's the wrong question. The question is: How will you take this opportunity—that is to say, a perceived threat to your country from outside—and use it as an opportunity to actually bring your government, your people together on the basis of that common threat?" That was a year ago. And in that year, the behavior was, for the most part, exactly counter to what you would probably try to do if you were trying to bring your people together—changing military leadership, cronyism, just all forms of sectarianism that have led us to where we are today.

Senator REED. But have you, through General Austin or others, communicated consistently the operational consequences of these

political decisions, that they are in danger of their—they are endangering their own security?

General DEMPSEY. Frequently.

Senator REED. Frequently. And the response by both the civilian and military authorities has been sort of indifference?

General DEMPSEY. I would describe their response as a volume of conspiracy theories.

Senator REED. Turning to the present moment, Maliki have—we've all had a—many of us, at least, have had the occasion to meet with him numerous times, and, at least at one moment in history, he surprised a lot of us by taking very aggressive action in Basrah in 2008, where he was able to go after elements that, you know, everyone thought were untouchable. In fact, he was ahead of our own commanders, in terms of taking the offensive. At this moment, is it your sort of impression that he understands that this is an existential moment for him and his country, and that he is willing, effectively, to start doing things that will at least stop the momentum and reverse the tide and—

General DEMPSEY. Senator, I don't know. Our ambassador, Ambassador Beecroft, is in country, along with Brett McGurk, working diligently to try to understand exactly how Maliki is thinking about this situation. But that question would be better passed to the State Department.

IRAQ

Senator REED. Final question. It's just the leverage that we had, given the fact that we were trying to communicate serious concerns about their military capabilities, not so much because of the training of individual soldiers or the equipment they had—that was—seemed to be quite adequate—it was just at the level of leadership and political direction of the military forces. Do we think we've done enough in that regard, or tried enough, or hit the right buttons?

General DEMPSEY. Well, I mean, clearly, we will look back on this and do what we always do, be introspective and do an after-action review, and use that—the results to change the way we do—we build partners.

I should mention, by the way, that, although the two divisions in the north collapsed, as well as the police unit, there are still multi-confessional units of the Iraqi armed forces standing and defending in and around Baghdad. Multi-confessional. This has not broken down entirely on sectarian lines. But it could.

Senator REED. Just let me—quickly, because I have just a few minutes—change subjects, and that's to the persistent, ubiquitous, and emerging, if not already present, threat of cyber at the level of national, sort of, wargaming, for want of a better term. Are you comfortable, Mr. Secretary, that you are doing enough of the planning and gaming and assuming all of the new technology that's come online as—in response to a question about Crimea, one of the things that the Russians did was cleverly employ cyber operations as an adjunct to the battle plan. And I think we all understand that's going to be a—probably the opening salvo in any engagement, going forward. And with respect to the—this issue of war planning, are you actively engaging the war colleges and senior

military educational institutions in this sort of DOD-level, Sec-level—Secretary of Defense level—sort of what's coming, what's the worst case? Are we ready or where are the gaps?

Secretary HAGEL. Senator, on your first question, it is one of the areas of our budget that we have requested an increase—cyber—I think it's 5.1 billion—to get our capability up quickly, move it to, I think, around 6,000 employees. We have put a high, high priority on this, the last 2 days, for the—2 years—for the obvious reasons.

Am I confident we're doing enough? I am confident that we're doing everything we need to be doing, but we're constantly reassessing that, Senator. I don't think anyone can ever be too confident, because there are surprises all the time. But we recognize what's out there. We recognize the technology that is moving so rapidly, the threats that are clear to this country, to the world. We are working interagency with the—all the appropriate assets and tools we have to bring together the coordinated value-added, to your question about war college and other outside units, interests, enterprises, to get their best advice, absolutely. Because we don't think we are, alone, the repository for all of this. So, this is as a high a priority, overall, as we have.

Senator REED. Thank you.

Just one comment. I want to thank Secretary Hale for his service. This is your last appearance. Secretary McCord has been confirmed. Thank you very much.

And also, thinking of our initial discussion with respect to Iraq, we were, I think, in a curious situation as we were trying to warn them and they weren't listening. And I think the leverage—the only leverage we have would have been simply to sort of pull support back, which might have even made the situation worse. So, this is, again, I think, something that we realized some—many years ago. There is no good answer there. But it's a very—and I don't have to tell you gentlemen—it's a very disturbing situation at the moment.

Thank you.

Senator DURBIN. Senator Graham.

PERSONNEL COSTS

Senator GRAHAM. Thank you.

Mr. Hale, make sure, in your last appearance, you get to speak.

Mr. HALE. I'm doing fine, sir.

Senator GRAHAM. As you depart, would you advise the Congress and the administration to deal with the growing personnel costs? Because, without some personnel reforms, it'll be hard to maintain the budget.

Mr. HALE. I appreciate an easy question, Senator. And the answer is absolutely yes. As the Chairman and the Secretary have said, we need to deal with these issues appropriately.

Senator GRAHAM. Because it's about 50 percent of our cost.

Mr. HALE. Right, for the military and civilian, that's correct.

Senator GRAHAM. And we're talking about in the future, retirement reforms, looking at TRICARE anew, trying to be rational, in terms of cost-sharing, correct?

Mr. HALE. Yes. All of those are elements, as you know, on the retirement side. We are working with and waiting for the commission.

Senator GRAHAM. Right.

Mr. HALE. But we think we have, especially in TRICARE area, a good proposal that will—most of the savings, frankly, don't come out of the pockets of the troops. So, I'd really urge that one.

Senator GRAHAM. And to my colleagues, I hope we will listen to what Mr. Hale says and try to stabilize the budget.

Now, to Iraq. Is it possible, General Dempsey, to stop ISIS without U.S. airpower?

General DEMPSEY. ISIL.

Senator GRAHAM. Yes.

General DEMPSEY. ISIS, the OSH, whatever we call them, are—

Senator GRAHAM. The people that al-Qaeda kicked out.

General DEMPSEY. Or who broke contact because they're more radical than al-Qaeda.

Senator GRAHAM. Yes. Yes. These people.

General DEMPSEY. Right. The—I suspect—well, first of all, we have a request from the Iraqi government for airpower. And—

Senator GRAHAM. You do?

General DEMPSEY. We do. And—

Senator GRAHAM. Do you think it's in our national security interest to honor that request?

General DEMPSEY. It is in our national security interest to counter ISIL, wherever we find them.

Senator GRAHAM. Fair statement. Because—and I want the American people to understand—there's a lot at stake for us. Right, Secretary Hagel?

Secretary HAGEL. There is a lot at stake for us, the region—

Senator GRAHAM. And the world at large. If Iraq falls and Iran dominates the south, and this group, ISIS, owns the Sunni territory all the way from Aleppo to Baghdad, Kurdistan breaks away, that would create economic chaos in the region, which would affect us here at home. Is that a fair outcome?

Secretary HAGEL. Well, I don't know what an outcome would be if that occurred, Senator. All I can tell you is, what we are looking at providing to the President.

Senator GRAHAM. Well, the economy—

Secretary HAGEL. The different options to—

IRAQ

Senator GRAHAM. The economy of Iraq would collapse.

Secretary HAGEL. Well, I think that's right. If they lose their oil.

Senator GRAHAM. Yes, that's right. And if ISIS has assets from Aleppo to Baghdad, they're enriched, the country we know as Iraq financially collapses. Don't you think that would affect the region and energy prices? From the average American point of view, Iraq matters.

Secretary HAGEL. Well, it does. And—but, also, as you know—you've been there many times, Senator—the southern part of Iraq possesses a tremendous amount of oil, so different scenarios that you're talking about.

Senator GRAHAM. So, if the Iranians dominate the southern part of Iraq because the central government collapses and there is no force in Baghdad, the Iranians are enriched, and I think the world as a whole suffers, particularly—we'll get hit in the wallet.

But ISIS, General Dempsey, they have vowed to attack the United States. Is that fair to say?

General DEMPSEY. There is open-source reporting that they—although currently a regional threat, they do have aspirations to attack Western interests.

Senator GRAHAM. And if they have a safe haven in Syria and Iraq, can operate from Aleppo to Baghdad with impunity, that's a bad scenario for us. Is that true?

General DEMPSEY. That is a high-risk scenario.

Senator GRAHAM. Yes, to our homeland being attacked by this group.

General DEMPSEY. Over time. Not at this time, but over time.

Senator GRAHAM. Right.

Well, I would say that the—Baghdadi, the director, the head of this group, was a former GTMO—excuse me—a Camp Bucca detainee. Is that correct?

General DEMPSEY. Correct.

Senator GRAHAM. I know the colonel. I used to do my Reserve duty there. The people did a very good job on the ground, General Stone and others. But he's reported that when they turned Baghdadi back over, when they let him out of Camp Bucca, that he traveled to Baghdad with him, and he turned to Colonel Collins and these others and said, "I'll see you in New York." Does that fit this character?

General DEMPSEY. I haven't heard that, Senator.

Senator GRAHAM. Well, I'm just telling the American people, it is in our national security interest not to give these guys safe haven in Syria and Iraq, because the next 9/11 could very well come from that region.

Is that an unrealistic—is that an overstatement or is that in the area of possibility?

General DEMPSEY. As I've said in other settings, the—there are several groups—there's—the al-Qaeda ideology is—has spread, as we've seen. Several of the groups are more dangerous than others. And ISIS—

Senator GRAHAM. Would you put this at the top? Would you put this at the—

General DEMPSEY. I think, at this point in time, I would probably keep al-Qaeda on the Arabian Peninsula in Yemen at the top.

Senator GRAHAM. Our Director of National Intelligence says he thinks that the deterioration in Syria and now Iraq is a direct threat to the homeland. Is he right?

General DEMPSEY. If he said it, and if he is assessing that it's there now, then I would agree with him. I think—

Senator GRAHAM. Does that make sense to you?

General DEMPSEY. It makes sense that they will be a threat to the homeland, in time.

Senator GRAHAM. All right, perfect.

Iran is on the ground, Senator—Secretary Hagel, in Iraq?

Secretary HAGEL. Iran has been in Iraq for many years.

Senator GRAHAM. Right. So, the reality is that Iran is on their ground. Do they have influence over Shi'a militia? The Iranians?

Secretary HAGEL. I'm sure they do.

General DEMPSEY. Yes.

Senator GRAHAM. Are you worried about force protection? We have thousands of Americans trapped inside of Iraq. Are you worried about that?

Secretary HAGEL. I am. And we're—

Senator GRAHAM. Are you worried about another "Benghazi on steroids" if we don't watch—

Secretary HAGEL. Well, it's a bigger force, bigger threat, bigger dynamics, yes. It's a huge threat.

IRAN

Senator GRAHAM. So, when it comes to whether or not we communicate with Iran, I am not suggesting we do a deal with Iran to divide up Iraq and say, "You get a nuclear weapon if you help me." I know the strategic differences. They want to own Iraq. We want a free Iraq. We're strategically misaligned. But is it fair to say that, the reality that exists today, talking to Iran about security issues on the ground probably makes some sense?

Secretary HAGEL. I agree. And you know there have been some sideline conversations—

Senator GRAHAM. Yes. And if we start flying airplanes, it makes some sense to talk to the Iranians about what we're doing so they don't shoot us down and we don't bomb them?

Secretary HAGEL. The Iranians are there. I mean, they're in the region, and—

Senator GRAHAM. Well, that's the reality, as I see it. And they're up to no good. But I don't want to cede Iraq to Iran, but, at the same time, I don't want to blunder into a situation without thinking this thing through. And, for God's sakes, I'll talk to anybody to help our people from being captured or killed, and this is a time where the Iranians, in a small way, might help, given their behavior. I know exactly who they are. They're not repentant people at all. They're thugs and killers. But we are where we are.

Afghanistan. On a scale of 1 to 10, if we pull all of our troops out by the end of 2016, General Dempsey, what's the likelihood of what happened in Iraq visiting Afghanistan? One being let—very unlikely, 10 being highly likely.

General DEMPSEY. I think, based on the reports that I received on the development of the INSF, and I'd have to make an assumption about this government, but I think it would be in the—I'll do it in thirds—lower third; low, unlikely.

Senator GRAHAM. What percentage of the Iraqi—and I'm going to take 2 minutes, everybody else has—what percentage of the Afghan security forces are made up of southern Pashtuns?

General DEMPSEY. I don't have that committed to memory, but—

Senator GRAHAM. It's less than 6 or 7 percent. The Afghan army is seen as a occupying power in southern—in the Kandahar region. That's just a reality, just like the Iraqi army was seen by Sunnis as a Shi'a army. I think the likelihood of this happening Afghanistan is a 8-to-10.

Would you recommend—if I'm wrong and you're right, would you think the most prudent discussion would be, "Don't let it happen, even if it's 1 in 3"? Do you think we should revisit leaving a residual force behind? Because the Afghans will accept it, won't they?

General DEMPSEY. Well, I think that there is already built in a residual force. The question is: At what size and with what tasks?

Senator GRAHAM. By 2016, we're down to an Embassy force. There is no residual force.

General DEMPSEY. Well, with an Office of Security Cooperation.

Senator GRAHAM. Yes, a couple hundred people. Would you recommend the President reconsider his decision to go down to a couple hundred people by 2016 in Afghanistan, in light of Iraq? And wouldn't the prudent thing to do would be to say yes?

General DEMPSEY. What I will commit to is assuring you that, as we watch this new government form and the situation evolve, I will make appropriate recommendations to the President.

Senator GRAHAM. Okay.

Pakistan is a neighbor to Afghanistan, right?

General DEMPSEY. Correct.

Senator GRAHAM. Do you worry about if—if Afghanistan falls apart like Iraq, that one of the collateral damages could be destabilizing even further a nuclear-armed Pakistan?

General DEMPSEY. I do.

Senator GRAHAM. So, given that possibility, why in the world—we—they want us to stay, the Afghans. The two new candidates for President would sign a Bilateral Security Agreement, they would accept troops. Isn't that correct?

General DEMPSEY. They have said they'd sign the Bilateral Security Agreement, made—

Senator GRAHAM. They have told me they would accept troops. You need to ask them, because they've told me they would accept troops. If you don't know that, that's very disheartening, because I've asked them both.

KHATALLAH

Finally, this guy on the ship, Khatallah, is he being held under the Law of War? Are we doing lawful interrogation of this man?

General DEMPSEY. Khatallah is under the control of the Department of Justice.

Senator GRAHAM. Okay. But is he being questioned for intelligence-gathering?

General DEMPSEY. I'd prefer to answer that in a classified setting.

Senator GRAHAM. Thank you all for your service.

Senator DURBIN. Senator Feinstein.

Senator FEINSTEIN. Thanks very much, Mr. Chairman.

Good morning, Mr. Secretary, nice to see you again. And good morning, General Dempsey.

I would like to just kind of have a little dialogue with you, informally. What is your assessment of ISIL? I spoke to the Iraqi Ambassador yesterday afternoon, and his estimate is about 20,000—10,000 being ISIL, the—10,000 being various Sunni extremists and tribal members, plus what he called "passport fighters" coming into

the area. What do you assess the size? And how far are they from Baghdad at this time?

General DEMPSEY. Well, without getting into classified matters, I'll tell you that, if you think about ISIL, they are located in about three places—eastern Syria, they have a wing that is operating in the Fallujah/Ramadi area, and a wing that's operating in northern Iraq. And I think that the Ambassador's estimates are probably high. The actual number, the only place I've seen it is in classified information, so I wouldn't want to say it here.

But here's what I will tell you, Senator. ISIL is almost undistinguishable right now from the other groups you mentioned. In other words, in this caldron of northern Iraq, you have former Ba'athists, JRTN, you have groups that have been disenfranchised and angry with the government in Baghdad for some time. And as ISIL has come, they've partnered—I suspect it's a partnership of convenience. And there's probably an opportunity to separate them. But that's why the number is a little hard to pin down.

Senator FEINSTEIN. Okay. And they're dispersed, and it's difficult to establish a target. I understand all of that. But it seems to me that you've got two things here. You've got the military strategy, which you just said that Iraq had asked for airpower. Do you—would you recommend that?

General DEMPSEY. Well, what I would recommend is, anytime we use U.S. military force, we use it for those things that are in our national interests, and that—once I'm assured we can use it responsibly and effectively. And so, as we've been working to provide options to the President, that's the standard. And, as I mentioned, these forces are very much intermingled. It's not as easy as looking at an iPhone video of a convoy and then immediately striking it.

I'll give you one vignette to demonstrate that. I had a conversation with a Kurdish colleague from years past who was explaining to me that they had—the Peshmerga had taken over an Iraqi army—I'm sorry—that ISIL had taken over an Iraqi army base near Mosul and that the Pesh had then driven them out and were now occupying it. So, in the course of about 36 hours, we had Iraqi army units, we had ISIL, and then we had the Peshmerga in that same facility.

MALIKI

And until we can actually clarify this intelligence picture, the options will continue to be built and developed and refined, and the intelligence picture made more accurate, and then the President can make a decision.

Senator FEINSTEIN. Well, you're known as a very thoughtful person, and I appreciate that. It seems to me you've got to have the military response and you have to have the political response. And I think that most of us that have followed this are really convinced that the Maliki government, candidly, has got to go, if you want any reconciliation. If you want a Shi'a/Sunni war, that's where we're going, in my view, right now. If you want partition, that's where we're going right now.

So, the question comes, If you want reconciliation, what to do you do? And it seems to me that Maliki has to be convinced that it is

in the greater interests of his country to retire and to—for this newly elected government to put together a new government.

What is the administration thinking, or your thinking, on that subject? As much as you can discuss. Because that's the one place where Iran can be of help, if they want to.

General DEMPSEY. I'm afraid, Senator, that's not a military question, and I would—and I'm not trying to toss it to my wingman here, but I'm not sure—but, I can't answer it.

Senator FEINSTEIN. Wingman, you're up.

Secretary HAGEL. It is a high honor, indeed, to be General Dempsey's wingman.

A couple of things. First, let's start with formation of a new government, as you have noted. The courts in Iraq this week certified the election in late April. So, that is now put in—on the path to formation. New government.

I happen to believe, and I think the President has said it, that a political solution is the only viable solution. I said, before you came in, Senator, in response to one of the questions, that one of the reasons I believe that Iraq is in this situation is that the current government never fulfilled the commitments it made to bring together a unity, power-sharing government with the Sunnis, the Shi'a, and the Kurds. And I think that's probably generally accepted.

So, what do we do about it now? The State Department has the lead on all of this, as you know. And, as General Dempsey said, our Ambassador there in Iraq has been in daily touch with the Prime Minister and the leaders, the political leaders, as well as—Secretary Kerry's been personally involved in this. I know the Vice President has. And they are pursuing that political process. At the same time, we are providing, have been providing, the President with different options from our perspective. The intelligence community is trying to inform all of this for the President to assess what we've got and where this may be going.

I think General Dempsey's point about—we're still clarifying what we have and what the situation is. Options like airstrikes—as the President said, he's not ruled in or out, but there has to be a reason for those, there has to be an objective. Where do you go with those? What does it do to move the effort down the road for a political solution?

The issue of whether Maliki should step aside or not, that's an Iraqi political decisions, and that's something that we don't get into.

But all these channels are being worked right now, and have been, in the last week.

Senator FEINSTEIN. Good.

Well, let me ask a military question, then. According to the Special IG on Iraq, we have spent 25 billion to train and equip Iraqi security forces from the start of the war in 2003 until September 2012. In your estimation, General, why did the Iraqi security forces perform so badly? And what does this portend for Afghanistan?

ISIL

General DEMPSEY. Well, they didn't universally perform badly. They performed badly in the north, in and around Mosul, where

ISIL had gained a foothold and had convinced some of the Sunni elements that they—

Senator FEINSTEIN. But that wasn't just a few of them, it was tens of thousands.

General DEMPSEY. No, I understand that, but if the—ISIL turned their leaders. And in the absence of leaders of a military formation, the soldiers are not going to stick around and wait to see what happens. So, ISIL was able to coopt some of the leaders of those two divisions.

Now, I will tell you, when I was building the Iraqi security forces from 2005–2007, it was clear to—several things were clear to me. We could train them to fight, we could equip them to fight. It would be harder to give them the logistics architectures and signal architectures, but we did. But the hardest thing of all, as I said then and as I say now, is to build leaders and then to have those leaders supported by a central government that is working on behalf of all the people. And that's why those units in the north collapsed.

To your question about—and, by the way, there are still many of the Iraqi security forces—multi-confessional, not just one sect or another—who are standing and fighting. But the entire enterprise is at risk as long as this political situation is in such flux.

Let me go—let me answer your question about Afghanistan. Much different place. I think, a much better prospect for a unity government, based on this recent election. There are, of course—I do have concerns about the future of Afghanistan. And we will continue to do what we can to build into them the kind of resilience that we can build into a security force. But at the end of the day, a security force is only as good as the instrument that wields it. And that's the central government.

Senator FEINSTEIN. I really appreciate that. I mean, one of the things that I have looked at on intelligence is the Taliban there, and the shadow government there, and the amount of land controlled by the Taliban where people live. And I think it sets up a very serious situation for the future. I'm particularly worried about them coming back and what this does for women and the Shari'ah law. I watch the women huddled in a corner, in the newspaper, standing in line or sitting in line to vote. And I thought, if the Taliban comes back, it's just terrible. Eleven years, and we're right where we started in the very beginning.

Could you comment on—you know, I went to South Korea, and you see our troops still there, decades later. You begin to understand—now, that's a different situation—you begin to understand what it takes. And I don't know—Senator Graham mentioned, "Well, would you be for another secure agreement, where you could send in troops?" But I really worry about the sophistication of the Afghani army. Could you comment on that? Will they stand? Do they have the leadership? Do they have the will?

General DEMPSEY. I will tell you this, the Afghans are better fighters, more—far more tenacious fighters than their Iraqi counterparts. That's—that is both reason for optimism and reason for concern, because there is a history of them fighting each other, as well as external threats.

The—to your question of will, they do have will while they remain optimistic for their future. And, as you know, Afghanistan today, the country, is a far different country than it was in 2002, in terms of women's rights, connectivity, education, access to healthcare. If those continue to progress, then I would suggest to you that Afghanistan will stay on a path.

I have no doubt that there will be parts of Afghanistan that from time to time, because of their history, do separate themselves from the central government. And the question then becomes, What will the central government do to address it?

They're far different countries, and I would caution us to compare one to the other and assume that Afghanistan will follow the path of Iraq. Far different.

Senator FEINSTEIN. Thank you, that's helpful.

Thank you.

Senator DURBIN. Thank you, Senator Feinstein.

Senator FEINSTEIN. Thank you.

Senator DURBIN. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Secretary, welcome.

Secretary HAGEL. Thank you.

BOKO HARAM

Senator COLLINS. It has been 9 weeks since nearly 300 girls were kidnapped from their school by the terrorist group Boko Haram in Nigeria. I believe that the United States should have provided immediate surveillance, reconnaissance, and intelligence assets to locate these girls before they were split up into more difficult-to-find smaller groups. I further believe that contingency plans should have been made so that our Special Forces, who performed so extraordinarily well as we saw during this past weekend with their capture of the terrorist who led the Benghazi attack, should have been on the ground, working with Nigerian forces to plan a rescue of these girls.

Mr. Secretary, with each passing day, the future of these girls grows more and more precarious. There's no doubt that some of them have already been forced into early marriages, others have been taken across the border and sold into slavery, all have been required to convert to Islam, according to the video that we've all seen. Yet, it feels like these girls have been forgotten, pushed off the front pages by a string of endless crises.

I've made my concerns known to the administration in several venues, about my disappointment that we did not act sooner and more aggressively to help rescue these girls, working with the Nigerians. Could you tell me—my question for you is: Is this an urgent priority? What is going on now?

Secretary HAGEL. Senator, I can assure you, this President feels exactly the same as you do, as we all do, as you have framed it up and laid out the tragedy of this, the urgency of this. But let me also address your questions about why wasn't there more action, quicker, so on.

First, as you know, we cannot just drop into a sovereign country without that country's government asking us for assistance. That country, Nigeria, has an elected government, elected President. So,

we were preparing, once we heard and knew what was going on, also working with them diplomatically, to get a request from them for each of the resources that we were able to provide, and still are providing. That's one.

Second, the capability of the Nigerian forces to be able to carry out what we can give them in the way of intelligence or assistance—it's still their responsibility—they have limited capabilities.

Now, I know that's not a good answer, but that's the reality. We are as focused today on helping locate these girls, doing everything we can to get them out of there. But this is a sovereign nation, and we require, obviously, like any other situation, the government to ask us to come in. They give us the limits and the parameters on where we can operate, how we can operate.

The other part of this, too, as you know, is, this is about, terrain-wise, as complicated a part of the world as there is. They have triple, quadruple canopy jungles, they move them around, your deadly smart guys, Boko Haram. So, we're up against that, as well.

So, unless the Chairman would like to add anything to this, that would be my general assessment. But make no mistake, Senator, this President, all of us, are as committed to this, even though you don't read it in the front pages because of the reasons you've mentioned. We're still involved, and we're still assisting.

Senator COLLINS. Well, time is ticking away. And with each passing day, the chances of these girls being reunited with their families grows ever dimmer. And the fact is, the Nigerians did say yes. I realize they didn't say yes immediately. And it seems to me, we should have had a plan so that, when they said yes, we could swoop right in.

Secretary HAGEL. Well, we did, as much as they would let us do. And I—if you want to get down into the details of the operation, I'll let General Dempsey—

General DEMPSEY. Well, I just want to assure you, Senator, we didn't wait for the Nigerians to ask or respond to our question. The military, under the Secretary's leadership, began repositioning resources when we saw this occurring.

But I do—so, two things—I do want to bring us back to this budget hearing. We are where we are around the world today because we can be, and we can respond. It may not have been adequate to this task, but we are certainly adequate to a lot of tasks. And that capability is eroding while we sit here.

Senator COLLINS. Well, let me switch to another issue, but let me, first, just say that I specifically asked whether there was contingency planning for Special Forces to go in, and was told that there was not. So, I'm glad to hear you contradict that. But that is not the answer that I was given.

ABU KHATALLAH

General DEMPSEY. Well, let me distinguish between moving assets, in the event that we are given permission to use them, and contingency planning. And also, Senator, the Abu Khatallah operation, though it may have looked, you know, rather routine, it took us months of preparation and intelligence soak—

Senator COLLINS. That's exactly my point. I mean, from day one, I think we should have been working on this. And I know how me-

ticulous and difficult an operation that our Special Forces is involved in is. But that's sort of part of my frustration.

Let me, because time is slipping away, turn to the issue, General, that you mentioned, and that is the budget constraints and the impact of sequestration. It is surely significant that one of the first actions that the President took in response to the crisis in Iraq was to send an aircraft carrier to the Persian Gulf. It is our Navy that allows us to project power. And I am very concerned by Secretary Hagel's written testimony in which he notes that the indiscriminate budget cuts of sequestration would result in the loss of a deployable aircraft carrier, delay the procurement of a submarine, and slash the surface fleet by 10 ships. Secretary—and I would note that our goal of, now, a 303-ship Navy is not near what the combatant commanders say that we need. And I see you're nodding in agreement.

Secretary of the Navy Ray Mabus testified before us earlier this year that sequestration may also result in breaking the multiyear contracts for ships, which has the effect of raising the cost of the ships and giving us fewer ships. It's particularly troubling for our national security strategy, because all 10 ships in the DDG-51 multiyear procurement contract through 2017 and the 10 ships of the *Virginia*-class submarine program are clearly essential.

General, do you agree with Secretary Mabus's assessment that we will not be able to meet our national security requirements and that we will end up paying more per ship, and thus getting fewer ships, if we do not deal with sequestration?

General DEMPSEY. I do. And the same problem exists in the other services, as well.

Senator COLLINS. Thank you, Mr. Chairman.

Senator DURBIN. Thanks, Senator Collins.

Senator MURRAY.

IRAQ

Senator MURRAY. Thank you, Mr. Chairman.

Mr. Secretary, General Dempsey, thank you all for being here.

I'm extremely concerned by the recent developments in Iraq. The Islamic State in Iraq and Syria have reportedly captured large amounts of money and weapons from the large territory in Iraq and Syria. They are active, and they're reportedly committing human rights violations. And, as we know, their presence is potentially destabilizing to our partners in the Middle East. And, importantly, they threaten the United States and our interests. I know that the President has said he's considering a wide range of options in response. I'm glad he's not talking about putting direct combat troops on the ground. But what I wanted to ask you today is, Are Iraqi security forces capable of pushing the insurgents back?

Secretary HAGEL. Do you want to start?

General DEMPSEY. Well, I've got a little time under my belt with the Iraqi security forces. One of the things we've got to learn and are—we're working to learn it, but we don't know yet—is what's left? What is left of the Iraqi security forces? They seem to be holding a line that roughly runs from Baquba, north of Baghdad, over to Fallujah. We also know that there's been some augmentation of the Iraqi security forces by militia. And so, you know, among the

options we're considering is whether we would, in fact, try to do an assessment of what's actually defending Baghdad at this point. That's an important question.

Senator MURRAY. So, it's impossible to ask what assistance they would need until you do that assessment?

General DEMPSEY. You know—I mean, there are some things we know for a fact, where they will require assistance—ISR. I mean, that—you know, we've maneuvered a great deal of both manned and unmanned ISR to try to gain clarity on what exactly is occurring. But there are some things that we need to know about actually the fabric of what's left of the Iraqi security forces.

Senator MURRAY. Okay.

Secretary Hagel, I wanted to ask you—you've talked at length about—the services are going to have to make significant cuts in personnel. And I am very concerned about transition and employment for those who are leaving the military. It's why we made the Transition Assistance Program mandatory under the VOW (Veterans Opportunity to Work) Act, and have made some reforms to help servicemembers transition and find employment. I wanted to ask you how you have worked with your counterparts at other agencies to prepare, now, for the increasing numbers of servicemembers who are going to be separating and needing that transition assistance.

Secretary HAGEL. Senator, it's a very, very high priority, for obvious reasons. As I said before, we create the veteran, and then we hand the veteran off. And you—the programs that you mentioned, that the Congress initiated and funded, and continue to fund, are critically important for us as we help shape and prepare these men and women who will leave the services. And this goes into every dimension of their future, whether it's healthcare, retirement, job preparation, job opportunities. So, it becomes, has become, will continue to be, as important a part of our responsibilities as there is, from—the time they enter service, the commitment we make to them, all the way through. So, I'm committed, personally—the General is, all our chiefs are, the entire establishment of DOD—to do that.

Senator MURRAY. Okay. It's absolutely important that we stay focused on that.

Secretary HAGEL. We will.

And second, to your question about, Are we working closely with the interagencies? Absolutely. In fact, I just, on Monday, had another conversation with the new—with the Acting Secretary of Veterans Affairs, Sloan Gibson, who I just, incidentally, have known a long time, and we have a very good relationship. And we're meeting again next week. And that's just but one example.

But all the agencies—because we've got to bring value-added to all the resources in how we're doing this and—

Senator MURRAY. We spent an—a considerable amount of money training these people, and we need to make sure that we use their skills when they leave.

SPECIAL VICTIMS' COUNSEL

Secretary Hagel, I also wanted to ask you about the Special Victims' Counsel (SVC). I'm really pleased that the Department

worked quickly to implement a provision that I authored that requires Special Victims' Counsels in all of our military services. The number of cases that they are getting shows how important that service really is. But I am concerned that we may need more attorneys to meet the need. I wanted to ask you how many additional SVCs and how much funding do the services need to keep up with the needs of victims of military sexual assaults?

Secretary HAGEL. Let me ask our Comptroller if he's got any specific numbers. I don't know. I'll take it for the record on the specific numbers and money and——

Senator MURRAY. If you could get that information back to me, and also a breakdown of spending on the Special Victims' Counsels programs, including the \$25 million I requested in last year's defense appropriations—if you could respond back to me on that, I'd appreciate it.

Secretary HAGEL. We will, and we'll get it back to you very quickly.

[The information follows:]

Following a successful Special Victims' Counsel (SVC) pilot program launched by the Air Force in 2013, all of the Services established programs to provide legal representation to sexual assault victims who are authorized to receive legal assistance. These programs achieved initial operating capability by November 1, 2013, and full operating capability by January 1, 2014. A study conducted by the Joint Service Committee on Military Justice suggests that the Services' SVC organizations collectively form the most extensive victim representation program in the country. While the programs are still fairly new, analyses so far reveal tremendously high victim satisfaction. The programs have been instrumental in protecting victims' rights throughout the case investigation and court-martial processes. The Department of Defense is committed to continuing to provide sexual assault victims with expert legal representation.

A breakdown of personnel and financial requirements for the SVC programs by Service follows:

A. *Army*.—The Army currently has 65 judge advocates serving as SVCs in the Active Component, 70 in the Army Reserve, and 14 in the National Guard. Some of these judge advocates, all of whom are in legal assistance offices, provide SVC services full time, while others do so part time.

During fiscal year 2014, the Army mobilized 20 Reserve Component judge advocates to augment legal assistance offices to accommodate the increased workload and diversion of previous legal assistance resources arising from the SVC program. Based on additional needs, including representation of victims of offenses designated by section 1716 of the National Defense Authorization Act for fiscal year 2014, Public Law No. 113–66, 127 Stat. 672 (2013), that were not previously covered by the Army SVC program, this number will increase to 26 mobilized judge advocates in fiscal year 2015.

The Army's fiscal year 2014 SVC funding was \$2,597,000 for the Active Component, \$1,367,000 for Army Reserve, and \$939,686.31 for the National Guard. The Army anticipates comparable funding needs, adjusted for inflation, for fiscal year 2015.

B. *Navy*.—The Navy's Victims' Legal Counsel (VLC) Program currently has 31 assigned full-time counsel, including a captain (0–6) Chief of Staff, a commander (0–5) Deputy Chief of Staff, and 29 full-time VLC. The VLC Program is sufficiently staffed to accomplish its assigned mission; no additional staffing is required in fiscal year 2015.

The estimated cost of the Navy VLC Program for fiscal year 2014 is \$672,751. The Navy JAG Corps recently received \$673,000 in fiscal year 2014 funding to execute the VLC Program. Comparable funding, adjusted for inflation, will be necessary for the VLC Program in fiscal year 2015.

C. *Marine Corps*.—The Marine Corps' Victims' Legal Counsel Organization (VLCO), which provides legal representation to individuals authorized to receive legal assistance who are the victims of any offense under the Uniform Code of Military Justice, is comprised of 15 active duty judge advocates (including a colonel (0–6) Officer in Charge and major (0–4) Deputy Officer in Charge) and eight enlisted legal services specialists. Beginning July 28, 2014, one GS–11 civilian paralegal spe-

cialist will be assigned to the VLCO headquarters. The VLCO is augmented by a Reserve judge advocate captain (0–3) currently on Active Duty for Operational Support orders. An additional four active duty judge advocates serving in other primary billets have been trained as VLCs and are authorized to serve as Auxiliary VLCs when needed and if available. The VLCO is also supported by a Marine Corps Reservist from the Individual Mobilization Augmentee Detachment (IMA Det). The VLCO IMA Det is currently comprised of one drilling Reserve lieutenant colonel (0–5) judge advocate serving as VLCO Reserve Support Branch Head. An announcement seeking applicants for four Reserve major (0–4) judge advocates billets for the VLCO IMA Det was issued in June 2014.

On March 5, 2014, the Commandant of the Marine Corps directed a review of the entire Marine Corps legal community to determine the short- and long-term manpower challenges facing the Marine legal community, including the VLCO. The current demand for VLC services is being met with the present staffing level. However, based on geographic dispersion, the Marine Corps may require additional VLC billets to cover some of the outlying installations that currently have no VLC presence. The Staff Judge Advocate to the Commandant of the Marine Corps is reviewing these staffing issues within the Marine Corps.

The VLCO began with an operating budget of \$150,000 in fiscal year 2014 to cover training, site visits, and administrative costs. On November 15, 2013, the VLCO was authorized an additional \$14,000 for VLC travel not otherwise covered. Additionally, the VLCO received \$225,978 from DOD Sexual Assault Prevention and Response Office (SAPRO) funds during fiscal year 2014 to train VLCs and equip VLCO offices. This approximately \$390,000, however, is not the VLCO's only source of funding. The costs for the Marine Corps VLC program are partially covered by Marine Corps convening authorities, who are required to fund costs incurred in support of courts-martial, including victim and witness travel and resulting travel by VLCs to accompany their clients for military justice purposes. These costs, which come from various commands' operation and maintenance funds, are not centrally budgeted or calculated. For fiscal year 2015, the VLCO is expected to receive the same initial operating budget as fiscal year 2014 of \$150,000, which will be sufficient to support the current personnel structure. However, if additional VLC billets are approved, additional funds may be necessary to train personnel and establish new office locations.

D. *Air Force*.—The Air Force's SVC program is currently staffed by 28 full-time SVCs plus a colonel (0–6) Chief, a GS–14 civilian Associate Chief, and a major (0–4) Deputy Chief. The program will require an additional 10 billets in fiscal year 2015 to meet anticipated victim requests for assistance. This increase is required in part to provide representation for victims of offenses designated by section 1716 of the National Defense Authorization Act for fiscal year 2014, Pub. L. No. 113–66, 127 Stat. 672 (2013), that were not previously covered by the Air Force SVC program (i.e., child sexual assault offenses, stalking, voyeurism, forcible pandering, and indecent exposure). Five of these requested 10 billets are for field grade officers to provide mid-level management and supervision of SVCs and to handle more complicated cases. The other five billets would augment the 28 existing SVCs and provide an appellate litigation specialist.

In fiscal year 2014, the Air Force SVC program received approximately \$2,158,000 in operating funds. The SVC program received another approximately \$4,245,000 for training (which provided training for not only Air Force and Air National Guard SVCs, but also for some Army, Army National Guard, Navy, Marine Corps, and Coast Guard SVCs and VLCs) and \$1,300,000 for development of a case management system. During fiscal year 2015, the Air Force anticipates expending a comparable amount, adjusted for inflation, in operating funds for the SVC program. The Air Force will require an additional \$411,000 during fiscal year 2015 for additional development of a case management system.

INTEGRATED DISABILITY EVALUATION SYSTEM

Senator MURRAY. Okay. And finally, Secretary Hagel, as you know, the Integrated Disability Evaluation System (IDES) has been a concern of mine for a very long time. We saw a major problem in my home State with servicemembers' mental health diagnosis being inappropriately changed, and there have been many, many more problems. I am continuing to hear from servicemembers who are stuck in the system for a very long time. They're not getting support from the Department, and they're get-

ting incorrect evaluations. So, I want to know: What lessons have you learned from the implementation of IDES, and what reforms are you now considering?

Secretary HAGEL. First, as you know, we've had a team out at the regional VA centers in your State, helping them and assisting them as we integrate this. On the specific question regarding us—DOD—I'm not satisfied with where we are. I just had a meeting in my office, I think, Friday, about this specific thing. And, by the way, it wasn't just to prepare for the hearing.

We need to do more and pick it up. I asked them specifically—they're going to get back to me by the end of this week, and I'll give you a very detailed response to all your questions—I said, "I need to know. You give me a list what you want me to do—Secretary of Defense—to break through what you think you're not getting done because of bureaucracy, whatever it is." I said specifically, "Do we need more help? Do we need more people? Do we need more money? Do we need more technology?"

Senator MURRAY. What did they tell you?

Secretary HAGEL. They'll be back to me with a report by the end of this week, and I'll share it with you.

Senator MURRAY. Okay. I'd very much like to see this. We've been talking about this forever. It continues to be a problem. And we can't just keep letting this slide. So, if you can get back to me as soon as you have that. Okay.

Secretary HAGEL. I will be back to you. I'll share it all with you.

Senator MURRAY. Very much appreciate it.

Secretary HAGEL. I have the same concern.

[The information follows:]

As you know, Department of Defense (DOD) and Veterans Affairs (VA) jointly established a standard of 295 days for active duty Service members to complete the Integrated Disability Evaluation System (IDES) process, from start to finish. Of the 295 day standard, DOD is responsible for completing DOD core processes in 105 days, VA is responsible for completing VA core processes in 100 days, and Service members are afforded 90 days to complete elective steps or use leave as appropriate. DOD processing times are well below the 105 days standard; Service members routinely complete the DOD component of IDES in 91 days. However, VA processing times are well above their 100 day standard at 165 days. Until VA meets its core processing standard of 100 days, the IDES process as a whole cannot meet the overarching 295 day standard.

Although DOD is achieving its IDES goals and processing Service members ever more rapidly, I have directed the Under Secretary of Defense for Personnel and Readiness to review how we can further reduce our timeline with consideration of the Service member's role in the process. By law, Service members may appeal their disability determination repeatedly. These appeals extend the period for which a member remains in the IDES process. The DOD review will examine the IDES process for additional efficiencies while ensuring that all necessary due process is afforded to the member.

We know that by partnering with VA through the IDES process, we are providing our seriously ill or injured Service members with increasingly more consistent disability evaluations and ratings, more rapid access to benefits, and greater transparency across the process. Since we launched the IDES in 2011, we have continued to work closely with the VA to improve IDES and ensure continuity of care throughout a Service member's transition. Among our many efforts:

- DOD has completed the capability to electronically transfer IDES case files to VA. However, VA has to "manually" download, print, and upload the file into the Veteran Benefit Management System (VBMS), which takes time. To expedite the process, VA needs to fund a "software solution" that will allow them to upload the electronic case file directly into VBMS. In a June 23, 2014 letter to Acting Secretary of Veteran Affairs, Sloan Gibson, I asked him to fund this

- capability to enable the faster transfer of IDES case files directly to VBMS. Fully developing this capability promises to reduce VA processing timelines.
- In July 2013, at my direction, DOD detailed 21 Reserve Duty Soldiers to VA's Seattle, Washington, Disability Rating Activity Site to provide clerical support for processing all Army IDES claims, thereby allowing VA claims processors to more efficiently focus on processing IDES claims. These Soldiers will remain on-site until December 31, 2014 to continue to provide clerical support to the VA.
 - DOD is working with VA to provide faster disability decisions for all catastrophically ill or injured Service members who clearly will be unable to continue their military service. These members receive a presumptive 100 percent disability rating and are expeditiously routed through the IDES process in order to receive benefits as soon as possible. For example, these members are not required to complete the physical or medical evaluation board process and can move straight to the transition and benefits phase.
 - As required by the fiscal year 2013 National Defense Authorization Act, by October 2014, DOD will implement a more robust quality assurance program that will include common standards and requirements across the Military Services. This program will audit the performance of Medical and Physical Evaluation Boards to ensure IDES evaluations and outcomes are accurate and consistent. The DOD remains absolutely committed to working with the VA to provide the best possible care for our ill and injured Service members and their families. Thank you for your continued support of our Nation's Service members.

Senator MURRAY. Okay, thank you very much.
Thank you, Mr. Chairman.

BUDGET ISSUES

Senator DURBIN. Senator Murray, thank you very much.

Mr. Secretary, back to budget issues for a minute. Many of the recommendations by the administration in the new budget relate to the pay and benefits of those serving in the military, and retirees. Did you do, or did the administration do, a survey of men and women in the military, and retirees, to determine what they consider to be the most valuable benefits they're currently receiving, and those of lowest value?

Secretary HAGEL. Let me ask our Comptroller for the specific of the answer to your question, but I'll—let me start with a general answer.

First, the presentation that we made, as I say in my written statement in more detail, in the budget was based on considerable analysis from all our chiefs. And the Chairman will want to say something about this, I'm sure. All the information we could gather. We asked the chiefs, the services, the same question you just asked me, "You come back to me and tell me what you think we need to do." One of the first things that I did when I got over there, about a year and a half ago, was, I met, as I do all the time, with the chiefs. We went through the whole series of what do they need? What do we need to get prepared for? That was a question, because all the chiefs understand it better than anyone. As Senator Graham said, 50 percent of our budget goes to these kinds of issues. And that continues to escalate. We know we're on a track, we can't sustain it. It's just—it's like entitlement programs.

Senator DURBIN. I understand.

Secretary HAGEL. So, we're doing all of that.

Senator DURBIN. I understand the premise. I was just trying to understand the formulation of your response.

Secretary HAGEL. Let me ask the Chairman for what—how we got from the services to answer your question with specifics.

General DEMPSEY. Yes, Senator, let me assure you, we did. We've spent a year on this, with monthly meetings with the JCS. And, in the interim, we looked at both direct and indirect compensation. So, pay and benefits, on the one side; commissaries, PXs, and education, on the other. Those are indirect compensation. And we put together—believe me, it wasn't—I had no role in it, but we put together a computer program that you could take a serviceman or woman at a particular grade, and you could show the effect on various changes in pay and compensation and healthcare benefits, direct and indirect, with exquisite precision. So, we could tell, for example, what effect we would have on an E-6 at 12 years, and that same individual as they matriculated through the force to 22 years. We've got all of that data.

And when we had all that data, then we decided what we would need to do to account for the budget reductions, but also to bring our costs, over time, under control. And then we came up with this package. So, that the analysis is extraordinarily sound.

Senator DURBIN. Let me get into a couple of specifics. First, a recommendation to you. I will tell you where you can save some money. To the benefit of all the Active military and their families, put an end to the subsidizing of for-profit colleges and universities. They are overcharging these families and the military, twice the tuition of schools like the University of Maryland, which, for decades, has offered great courses to the military. These for-profit schools, calling themselves names like the American Military Universities, are ripping off the government and ripping off servicemen and women. So, if you want to start saving, I suggest we need stricter policies on how they solicit the members of the military to sign up for what turns out, in many cases, to be worthless.

SMOKING

Second question. Mr. Secretary, what is the smoking policy in the Pentagon?

Secretary HAGEL. Well, we don't smoke in the Pentagon.

Senator DURBIN. Well, let me ask you a second question. Do you sell tobacco products in the Pentagon?

Secretary HAGEL. We do in the Pentagon, in our—by the way—let me see if I can jump ahead. Yes, we have a—you've been there, you know we have different stores down in the basement—retail stores. But let me jump ahead here to the—I think, maybe where you're going, to the bigger issue here. I ordered a review of all our tobacco. This is part of our healthy base initiative. All of our tobacco sales everywhere throughout the enterprise. The Department of the Navy was already considering the ban on sale of tobacco products and e-cigarettes in retail outlets on Navy and Marine Corps installations and vessels. They don't allow smoking on submarines. They're looking now at not even smoking on ships. I've asked for a complete review—it will be back to me in the next couple of months—on recommendations from our services on this specific policy. But it's bigger than just selling it at the Pentagon.

Senator DURBIN. So, let me suggest. It's been reported that we spend \$1.6 billion a year on medical care of servicemembers from tobacco-related disease and loss of work. \$1.6 billion.

Secretary HAGEL. That's—

Senator DURBIN. We should also know that the rate of smoking among the military is 20 percent higher than the average American population. The rate of use of smokeless tobacco, more than 400 percent higher than the average population. One out of three members of the military who use tobacco today say they started after they enlisted. Why? Well, we make it easy. And we make it easy because, for some reason, the Department of Defense decided to put in a discount for tobacco. So, not only when you buy it at the exchange do you get some breaks, in terms of local taxes and State taxes that aren't collected on the tobacco product, there's a required 5-percent discount. So, it's a bargain, it may be the best bargain that the military sells to its men and women in uniform. Tobacco. Good God. At this point in our history, how can this be a fact? I'm glad you're doing this. I hope you'll hurry it along.

Secretary HAGEL. Well, we will. The Chairman may want to respond.

General DEMPSEY. I just want to make sure, Senator, that—the Joint Chiefs want to have a voice in this decision. We've asked a lot of our men and women in uniform, and we live—we lead an uncommon life by choice, but the—all the things you're talking about are legal, and they are accessible. And anything that makes anything less convenient and more expensive for our men and women in uniform, given everything we're asking them to do, I've got concerns about. I'm openminded to the review, but I want to make sure that you understand that the chiefs will need to have a voice on this because of the effect on the force.

Senator DURBIN. I think that's valid. Can you start your review with the following premise? Tobacco is the only product legally sold in America today which, if used according to manufacturers' directions, will kill you.

General DEMPSEY. I accept that. My father died of cancer, and I'm a cancer survivor, not from tobacco. But it is legal, and that is an issue for the broader Congress of the United States, not uniquely for the United States military.

Senator DURBIN. I understand that. But if it's legal, I guess someone could rationalize that we should allow you to smoke right here. We decided not to. The Pentagon decided not to. We're trying to set an example, and I think our men and women in uniform, if they have healthier and longer lives, would be a good example of a policy that we should follow.

Senator COLLINS.

Senator COLLINS. Thank you very much, Mr. Chairman.

And I want to associate myself with your comments about giving a discount for buying tobacco products at our commissaries or PXs or wherever. I just think that that's something that needs to go, and would be happy to work with you on it.

General Dempsey, many experts have said that, had we left a residual force in Iraq, a NATO force of which American troops would have been a part, that ISIS would not have been able to make the gains that it made, nor would it have attempted to make those gains. Do you agree with that?

IRAQ

General DEMPSEY. Well, as you recall, Senator, we actually recommended—our military advice was that we needed to remain partnered with the Iraqi security forces longer. But it—and that—so, I’m—I stand by that recommendation, and I was part of it, years ago. The size of it was being negotiated, but I was very much of the mind we needed to continue to partner with them for some period of time.

But remember that our partnership was on the basis of increasing their tactical capability, their logistics capability, their ability to budget, to be a responsible institution of government. The problem today is that the government has not acted responsibly in Iraq. And I don’t know that the presence of U.S. military personnel uniquely would have changed the outcome.

Senator COLLINS. But you stand by your initial recommendation that there should have been a residual force. And obviously, the reason you thought that must have been because you felt it was necessary to help continue to train and equip the Iraqi forces, and to ensure stability.

General DEMPSEY. I do. And to develop their leaders to be—to understand what it means to lead in a democracy.

But also recall that I also said that, in the absence of a Status of Forces Agreement, that I wouldn’t, personally, want to send America’s sons and daughters to Iraq. And we didn’t get a Status of Forces Agreement.

Senator COLLINS. General, the cornerstone of this administration’s counterterrorism strategy has been, according to the President’s speech at West Point, to rely more heavily on other countries, including the proposal of the \$5-billion Counterterrorism Partnership Fund, to train, build capacity, and facilitate partner countries’ front-line counterterrorism efforts, including in Libya, Mali, Somalia, and Syria. And yet, as we see in those countries, as well as Pakistan and now Iraq, the countries that have received U.S. assistance have a very mixed record of performance in protecting U.S. counterterrorism interests. What’s so disturbing about what’s happening in Iraq is, not only does it pose a huge threat to that country and the region, but it poses a huge threat to our country.

We provided \$15 billion—I don’t need to tell you, and I’m well aware of your role—in training and aid to the Iraqi forces. And then, when I saw so many of them cut and run against ISIS, it’s just appalling and very disappointing. So, what gives you confidence that this new approach, this new \$5-billion Counterterrorism Partnership Fund, will deliver a strategic defeat to extremists who are out to harm us?

General DEMPSEY. The issue of violent extremist organizations, most of whom are inspired by radical religion, is going to be with us for another, in my judgment, 25 to 30 years. It’s a generation-plus problem. And therefore, the new approach to try to rebalance—How much do we do, ourselves? Because the challenges we see, as they’ve migrated across from Pakistan and now extend across the Arab world, Mideast, North Africa, and into western Africa. We’ve got to find a way to address them regionally. And when

you start to think regionally, you could either come to the conclusion that we should do it all ourselves or find partners and capable allies, as we have with the French in Mali, for example, and work collaboratively to do that. That's what this fund is all about. And the companion piece for the European initiative, as well, to counter what we see as a changing security environment in Europe.

I don't think we have any choice, frankly, but to find and—well, in some cases, find more capable partners, and, in other cases, build more capable partners, because the thought of doing this all ourselves is a difficult one to grasp.

Senator COLLINS. Secretary Hagel, you recently said that you were opposed to the creation of a commission to study what the balance should be between the National Guard and the Active Duty troops. I know it's a very difficult task to—in this time of excessive budget constraints, to figure out what the right mix should be. But the fact is that the National Guard is far less expensive, when you look at the cost per soldier or airman, than is someone who's in the Active Duty troops.

I'm wondering why a commission wouldn't be a good idea. And I also want to convey to you that it's not just my Governor, but every Governor I've talked to, every adjutant general that I've talked to, who are very unhappy about the decisions that have been made to cut the National Guard.

NATIONAL GUARD

In Maine, the National Guard is slated to be reduced to the lowest number ever in its history. And that is of great concern, because, as you're fully aware, the National Guard plays two roles. It can be activated and deployed, but it also plays an essential role domestically in responding to national disasters—natural disasters or a terrorist attack that may occur on our soil.

So, could you talk a little bit to help me understand why you don't think a commission would be a good idea to review this controversial issue?

Secretary HAGEL. Senator, first, as I said in my opening statement, as I said in my written statement, the National Guard and Reserves are, have been, and will remain an integral, essential part of our national security strategy. That's not an issue.

A couple of the specific points, and then I'll get, the last point, to your question about the commission.

As I've also said—and we've talked here today—about the realities of our abrupt and steep, unprecedented, quite frankly, budget cuts. That's the reality that we have. And then you know, as you've spoken just a few minutes ago, about: sequestration becomes the law of the land in 2016, unless that's changed. So, that's the reality of the financial landscape and, fiscally, what we've got to deal with.

When you look at the National Guard and Reserve cuts, what we're proposing, versus Active Duty—and I again remind you, we're talking about a 13-percent cut in Active Duty and a 5-percent cut in Reserve and National Guard as we try to balance our budget, as we try to balance the equality of what we're going to need to carry out the national security interests of this country, it is—was—I believe still is, and I'll let Chairman Dempsey address this—the strong concurrence of all of our chiefs, who I rely on an

awful lot, and the combatant commanders, and the people down on the ground who know it best, who have to actually, day to day, implement these strategies through tactics—they agree with—everybody's got to take some percentage of reduction, here. If I had an—not an unlimited budget, but if I had a different kind of budget, I probably wouldn't make those recommendations, based on what the chiefs have come back.

Second, the lower-cost issue, Active versus National Guard—I am going to ask the Chairman to respond to that, because it depends. It isn't an easy metric that the Reserve and National Guard are cheaper. It depends if they have to go get trained up and go into Active Duty, a war zone, and so on. Before I go into that, I'm going to ask the Chairman to get into that. So, it's not quite as simple as "they're cheaper." So, it's an easy issue.

Commission. Here was the feeling after I had consulted with the chiefs in—the people that I rely on for advice, and then they came to me with recommendations. We believe we know what we need to do right now. A commission prolongs decisions that I do think—not because I'm Secretary of Defense, but—I do think reside within the leadership responsibilities of your military. Now, that's why we have civilian control over the military. I've got all that. But I think if we start micromanaging our military, the people whose lives are dedicated to national security, they come before the Congress, as they must; they're responsible to me and to the President, civilians, as our Constitution requires. But when we start second-guessing them too far down the line, I think that's not smart, and I think it's dangerous.

So, I don't think we need a commission, for those reasons and others. We know what we need to do. Commission would prolong this another—well, you know about commissions. And I don't think we need one. We know what we need to do. There are some hard choices, as I said, and this is one of them.

Let me, if it's okay, ask the Chairman to respond to, maybe, the difference in the cost.

General DEMPSEY. Yes, thanks, Senator—I mean, thanks, Secretary.

Senator, I'll get this right at some point so, I agree, by the way, on whether we need a commission. I think the Army has done a remarkable job. I used to be the Chief of Staff of the Army, and if you would have told me, when I was the Chief, that I would be able to take these budget cuts and manage them and come up with a plan to provide the Army that we think the Nation needs, I'd have—I maybe would have said I don't think we can get there. But they got there.

The issue of cost. This body and the other committees that give us our budget, buy readiness. That's what you buy. You're not buying an Active Duty soldier, you're not buying a particular platform or a national guardsman. You're buying readiness. And it depends how quickly you want it ready. And that's what distinguishes between the Active, the Guard, and the Reserve. What capabilities you migrate and how quickly you need to access them.

And so, as I say that I'm complimentary of the Army's plan, it's based on what the Army needs to have ready to go on a very short notice. And I think that you would agree, we just had this con-

versation about Nigeria, you'd agree that, in the world in which we live, with so much uncertainty, complexity, and threats, I think we need more of the force ready right now than at any time in our previous history, where you could—State-on-State issues, you could take a long time to build up readiness and deploy it.

So, if you're going to pay for a national guardsman to be as ready as an Active Duty soldier, you're going to pay exactly the same thing. It comes down to how quickly you need to access the capability. When you need it tonight, you pay the same whether it's an Active Duty soldier or a guardsman.

Senator COLLINS. Thank you.

Thank you, Mr. Chairman.

The only comment I would make is, the guardsman goes back—the Guard member goes back to the community and to civilian life, in most circumstances. The Active Duty member remains on Active Duty and, thus, is more expensive. To me, it's obvious, if they're being—a National Guard troop is being deployed, it is going to be trained in the same way, and it is going to be as costly. But it's what happens at the end of the deployment that creates the cost difference.

General DEMPSEY. I agree with that, Senator. But if they go back home and I need them and I can't get them, then I'm not doing my job. And don't forget, there—and there is reason for Governors to be interested in this, because they have State responsibilities, as well.

Senator COLLINS. Correct.

General DEMPSEY. But what the Secretary has to balance is the national security interests of our Title X responsibilities as the first priority. And I think we've done that as—with recognizing the other things that guardsmen and reservists do in their communities—I think we've done it responsibly. And I'm not sure that a commission would help us identify that.

Senator COLLINS. Thank you. Thank you, Mr. Chairman.

Senator DURBIN. Thanks, Senator.

Mr. HALE. May I ask, or offer, briefly, a comment?

If you take your logic to the extreme, we wouldn't have anybody on Active Duty. It would be cheaper to have everybody——

Senator COLLINS. Well——

Mr. HALE. Obviously, there's a mix——

Senator COLLINS. No. Because, obviously——

Mr. HALE. That's the right—we need a mix.

Senator COLLINS. I mean, that's an absurd—I was going to commend you for all your service. You just have totally blown it.

Mr. HALE. I just want to establish, we need a mix. I'll accept the lack of commendation if you accept the fact that we need a mix. And we think we have it about right.

Senator COLLINS. No one's suggesting that we don't need a mix. I mean, that is obvious.

And I will commend you for your service, nonetheless, and for the work that we did together on DCAA when I was the Chair or Ranking Member on Homeland Security.

Thank you.

Mr. HALE. That has been a success story. We have turned that agency around.

Senator COLLINS. You have, indeed.

Mr. HALE. I appreciate your support and——

Senator DURBIN. And thus, we end on a positive note.

Senator COLLINS. Just barely.

ADDITIONAL COMMITTEE QUESTIONS

Senator DURBIN. Comptroller Hale, thank you for many, many years of great service. You've really done your country proud, and we're honored to have you come to this table so often and try to take on one of the most daunting tasks in the history of the world: The education of a United States Senator.

So, thank you very much for that.

Secretary Hagel, thank you very much.

General Dempsey, you and the men and women in uniform are the best, and I thank you for your service and all that have joined you today.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. CHUCK HAGEL

QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

Question. Secretary Hagel, in recent years the Department seems to face a choice in every budget between meeting the requirements of the Defense Strategic Guidance at non-sequester levels, or meeting all the requirements of the Defense Strategic Guidance with less readiness, but at sequester levels.

When does the Nation need to begin a frank conversation about what strategic interests it is actually willing to pay for? At what point do we need to consider the Defense Strategic Guidance supported only at sequester levels?

Answer. The Quadrennial Defense Review (QDR) released earlier this year is the Department's current strategy, building on the work done in the Defense Strategic Guidance, which was released in January 2012. As the QDR came together, we considered our national interests in a complex and uncertain world, thoroughly reviewed our missions and objectives, and looked at innovative ways of securing and protecting U.S. interests. Our priority was balancing readiness, capability and capacity—the current strategy is supportable at the funding levels in the President's budget submission, albeit at higher levels of risk in some areas. A return to “sequester” levels of funding would introduce greater risk and would require a strategy reconsideration.

Question. Secretary Hagel, for years I have been trying to pass legislation that would bring the United States into compliance with our obligations under the Vienna Convention on Consular Relations. That convention guarantees that when an American is arrested in another country, the U.S. consulate will be notified and can help. Compliance with this treaty is in America's national interest and has a significant impact on our diplomatic relations. Our current failure to comply places Americans living, working and traveling abroad at risk. I appreciate your Department's support for this legislation.

Can you provide an assessment of the impact this would have for the safety of American servicemembers and their families overseas?

Answer. The Department refers you to then-Secretary Panetta's letter to you dated August 31, 2011 (copy provided), that provides the requested assessment. The Department continues to support enactment of the Consular Notification Compliance Act of 2011.

[The letter follows:]



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

AUG 31 2011

The Honorable Patrick J. Leahy
Chairman
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Thank you for your inquiry regarding Department of Defense (DoD) support for the Consular Notification Compliance Act of 2011, S. 1194, and for introducing this important legislation.

DoD fully supports the Consular Notification Compliance Act, and recognizes its importance for ensuring the protection of U.S. forces, DoD civilian employees, and DoD contractor employees should they be taken into the custody of foreign governments abroad. DoD has a strong interest in ensuring that foreign countries comply with their obligations toward U.S. nationals under the Vienna Convention on Consular Relations (Vienna Convention) and comparable bilateral consular agreements, as well as in ensuring that equivalent protections are provided to foreign military personnel when they travel to the United States. By communicating that the United States takes seriously its obligations to ensure consular protection to foreign military personnel and other foreign nationals in the United States, and by strengthening U.S. compliance with these obligations, we are best positioned to ensure that U.S. forces personnel and other members of the DoD family will benefit from these protections abroad.

DoD presently has tens of thousands of U.S. forces personnel stationed or deployed abroad, many with accompanying family members. In addition, thousands of U.S. citizen DoD civilian employees and DoD contractor employees, also with accompanying family members, are also stationed or deployed overseas in support of U.S. forces personnel. U.S. forces personnel travel even more broadly, whether to participate in training and capacity building programs, joint exercises, consultations, or government meetings, and for other non-operational activities. In many countries where DoD personnel are located, we have negotiated Status of Forces Agreements (SOFAs) that provide important protections for members of the Armed Forces, DoD civilian personnel, and their family members. These SOFAs vary in their substance and detail,



including in the scope of the protections provided. Nevertheless, the consular notification and access regime plays an important role in protecting all DoD personnel overseas, for several reasons.

First, the United States has not entered into SOFAs with a number of countries in which DoD personnel are assigned. In such countries, the Vienna Convention and comparable bilateral consular agreements provide the sole legal mechanism by which the U.S. Government can ensure that it is provided timely notification of the detention of U.S. nationals, including DoD personnel, and is thus able to provide them assistance and protection.

Second, even in countries with which we have entered into a SOFA, the Vienna Convention serves as an important complementary layer of protection for DoD personnel arrested or detained by the host country's authorities. Although many SOFAs provide DoD personnel immunity from criminal prosecution in the host country's courts, or for DoD custody of DoD personnel who may be subject to host nation jurisdiction, they do not always clarify the foreign government's obligation to notify the United States if a DoD employee is temporarily or mistakenly detained. In these cases, the United States may only learn of the detention through the consular notification process established in the Vienna Convention and comparable bilateral agreements. Even in countries where SOFAs require notification of military authorities upon detention by host nation officials of DoD personnel, DoD personnel in foreign custody are also entitled to consular notification and visitation, and U.S. State Department consular services are counted on to provide such visitation and other assistance. These services may be required to supplement the assistance of the military command, or if the detained individual simply wants consular assistance. Department of Defense Directive No. 5525.1 (Aug. 7, 1979), "Status of Forces Policy and Information," ¶ 4.10.3. Some services, such as helping to arrange transfers to U.S. custody through prisoner transfer agreements, would only be provided by the State Department as consular services.

Third, SOFAs do not necessarily extend to all DoD personnel present in a particular country. In most instances, the protections guaranteed under a SOFA extend only to DoD personnel who are in a particular country on official Department business. U.S. forces personnel who travel overseas for personal reasons—including U.S. forces on leave from active military duty—are not likely covered by a SOFA in such countries, and would rely exclusively on the protections guaranteed in the Vienna Convention and comparable bilateral agreements.

Fourth, the due process provisions for DoD personnel in SOFAs do not typically extend to DoD contractor employees and their family members. Currently, thousands of U.S. national contractor employees are providing important support services to DoD around the world. These individuals typically rely entirely on consular notification under the Vienna Convention and comparable bilateral consular agreements to ensure that their rights are protected if they are detained overseas.

Finally, DoD has a significant interest in ensuring that foreign military personnel, and their family members, receive timely consular notification and access if they are detained when they travel to the United States. Each year, thousands of uniformed members of foreign militaries, and their family members, come to the United States for conferences, training courses, to study at U.S. military institutions, to participate in joint exercises, and for many other purposes. Providing such foreign military personnel with prompt consular notification and access if they should be arrested or detained here in the United States is important to DoD's ability to secure reciprocal protections for U.S. forces personnel abroad, and to ensure that the benefits to our national security provided by bringing foreign military personnel to the United States can continue. The Consular Notification Compliance Act is critical to advancing those important goals.

U.S. service members do, in fact, benefit on a regular basis from the mutual obligations undertaken by the United States and other countries around the world. In the recent past, consular assistance has proved invaluable in helping secure fair treatment in cases involving service members on active duty, DoD contractor employees, and retired service members who were detained overseas. Under Secretary of State Patrick Kennedy provided some examples of this assistance in his testimony on S. 1194 in front of the Senate Judiciary Committee on July 27, 2011.

We must do all we can to ensure that service members, our civilian personnel, our contractor employees, and their dependents are afforded consular protection. Passage of the Consular Notification Compliance Act is a critical part of that effort, and we therefore support this important legislation.

Sincerely,



QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

Question. Do you support the Air Forces' stated plans to make the Global Strike Command a 4-star position to oversee its nuclear enterprise and any plans to create a new or reorganized nuclear command?

Answer. Yes. We must prioritize the funding of our nuclear forces commensurate with their role in protecting our country and deterring aggression throughout the globe. For this reason, I ordered both an internal and external review of our nuclear forces. The Department is analyzing these reviews closely and will be acting on the recommendations as we review and prepare the budget for fiscal year 2016. The Administration remains committed to a safe, secure, and effective nuclear arsenal, and to strengthening the health of the nuclear workforce and the nuclear enterprise.

Question. On January 8, 2011, the 917th Wing at Barksdale Air Force Base (AFB) was deactivated. The A-10s of the 917th supported Green Flag East exercises on a regular basis at Fort Polk. Today, our sources have indicated the Air Force re-sources only about half of the Green Flag East exercises with fighters. Often, B-52s from Barksdale AFB support Green Flag East because of the loss of the A-10s. Separately, we understand the Air Force is considering backfilling certain A-10 bases with legacy F-16s. Does the Army still have a requirement for close air support during its training exercises at the Joint Readiness Training Center (JRTC)?

Answer. Yes, the Army still maintains a requirement for Close Air Support (CAS) at the Joint Readiness Training Center (JRTC) and at all of our training centers. This support is necessary for challenging our units and leaders with tough, realistic training. Our Soldiers' ability to use CAS is critical to maintaining Army proficiency in Unified Land Operations, and is a significant aspect of Joint readiness. The Army fulfills these requirements for CAS support from both the Air Force and Navy through the use of a variety of aircraft.

Question. Will the tempo at the JRTC—with troops returning to CONUS—increase as we continue to train our soldiers for deployment?

Answer. The Joint Readiness Training Center (JRTC) remains a primary venue for Army units to train, build, and maintain light tactical forces for Joint Force Readiness. Even as end strength and force structure are reduced, Army training will remain consistent as the Army plans to maximize capacity of JRTC.

Question. Will the Air Force consider Barksdale AFB for a potential flying mission to replace the capability lost when the 917th was deactivated?

Answer. The Air Force determines the most operationally effective and fiscally efficient posturing of its assets during our annual program and budget build. Consequently, the establishment of a new flying mission at Barksdale AFB may be considered in the years to come.

However, fiscal constraints imposed by the Budget Control Act (BCA) and sequestration implications have hampered the Air Force's ability to distribute resources in a manner posing the least risk to our warfighting capabilities. Reversion to strict BCA funding caps in fiscal year 2016 and beyond will further hinder the Air Force's ability to replace deactivated force structure and likely even compel us to divest additional capabilities through unit deactivations.

Question. Does the Air Force believe it is resourcing Green Flag East sufficiently and with the correct mix of aircraft?

Answer. Yes, based on past and projected participating squadrons, the Air Force is resourcing Green Flag East sufficiently to meet our requirements with the correct mix of aircraft.

QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

NON-NAVY WORK AT PAX RIVER

Question. Secretary Hagel and Chairman Dempsey, I am concerned about the decision to prevent the Naval Air Station Patuxent River (PAX) from working with non-Navy customers. The Navy has stated that it believes the cost of supporting non-Navy activities comes out of the Navy's pocket, but it does not. If this policy continues, PAX will lose an estimated \$2 billion of work. So in an attempt to save money, the Navy is turning away the non-Navy business that actually brings them money. PAX has supported non-Navy work since the 1990s. It has provided services to the Army, Air Force, Special Operations Command (SOCOM), and National Aeronautics Space and Administrations (NASA). Facilities such as the Advance Prototype Facility were specifically built by PAX to target non-Navy customers.

Secretary Hagel and Chairman Dempsey, with a shrinking budget, all the military services should be pooling their resources when it comes to test and evaluation

facilities, not circling the wagons. What is the Department of Defense doing to clamp down on policies such as the Navy's non-Navy work policy?

Answer. The Department of Defense (DOD) is aware of the Navy's work acceptance policy for its Warfare Centers. The Navy relies on its Warfare Centers to develop, test and field the capabilities required by the warfighter. The Navy's workload acceptance policy provides visibility into where work is performed and ensures tasking is aligned to the appropriate technical capability. Though the Navy places a priority on the Naval mission, non-Naval work is an important element of the overall workload at many of the Warfare Centers. This work contributes to the strength of the technical workforce and reduces overhead rates within the Naval Working Capital Fund (NWCF). However, if the overall workload at an individual Warfare Center or across multiple Warfare Centers is not properly aligned by capability and capacity, performance of the mission as well as NWCF rates will be negatively impacted. The DOD supports the Navy's effort and will continue to monitor the implementation of the Navy's workload acceptance policy and engage as required.

The DOD has made great progress in coordinating test and evaluation (T&E) activities across the Services. Annually, the DOD certifies the Service T&E budgets for range and lab sustainment, targets and investment projects. The DOD develops a biennial "Strategic Plan for DOD T&E Resources" that assesses the ability of the T&E infrastructure to meet short and long term acquisition program requirements. Under T&E Reliance, the Services collaboratively work together to promote effective T&E infrastructure and investment management with the goal of providing cost-effective and efficient operation without regard to ownership and to avoid unwarranted duplication of test capabilities.

C-130J FIELDING

Question. Secretary Hagel and Chairman Dempsey, I am concerned about the proposed divestiture of the A-10 Thunderbolt beginning in fiscal year 2015. If the A-10s are divested with no replacement, the Air Guard at Martin State, among other Air Guard installations, will have no flying mission. The Air Force released an unofficial plan with the fiscal year 2015 budget to replace A-10 units with C-130J Super Hercules units. Martin State is scheduled to lose 22 A-10s and unofficially gain 8 C-130Js.

Secretary Hagel and Chairman Dempsey, can you commit to me that the Maryland Guard won't lose its flying mission? Will the A-10s at Martin State be replaced with C-130Js?

Answer. Assuming the submitted President's fiscal year 2015 budget plan, requested USAF A-10 divestiture plan, and C-130J realignment plan remain intact, C-130Js will be relocated to Martin State in fiscal year 2018 to maintain the Maryland Guard flying mission.

STATUS OF NIGERIAN GIRLS

Question. Secretary Hagel and Chairman Dempsey, on April 14, 2014, 276 girls were kidnapped in Nigeria. These girls are believed to be between the ages of 14 to 18, but some as young as 8. Boko Haram has claimed credit for these kidnapping as a stand against western education.

I am concerned that these girls have fallen off the radar, now that the media attention has lessened. What is the status of DOD's effort to find them? Has any progress been made? What is the focus of your current efforts?

Answer. DOD continues to support Nigeria's efforts to locate and return the girls kidnapped by Boko Haram on April 14 of this year. As we have noted before, DOD was intensely focused on countering the threat of Boko Haram before the kidnappings of the Chibok girls occurred, and we remain focused on this. We continue to have personnel present in Abuja as part of the interdisciplinary team of experts deployed to Nigeria in the aftermath of the kidnapping. The focus of these personnel is to work with their Nigerian and P3 (United States, United Kingdom, and France) counterparts to gather and share intelligence about the girls' location. It is equally true, however, that recovering these girls could take a very long time. Nigeria's military lacks most of the skills required to mount an effective recovery operation, especially one involving hundreds of hostages being held at multiple locations. We are in the process of providing basic-level training to some of Nigeria's forces, but this will take time and does not include the highly specialized skills required to conduct hostage recovery operations; we are beginning from a very low baseline.

DOD will continue to engage with Nigeria to help it build its capacity to counter the threat of Boko Haram both to support the recovery of the Chibok girls and to promote security and stability in Nigeria and West Africa more generally.

QUESTIONS SUBMITTED BY SENATOR MARK L. PRYOR

Question. The fiscal year 2014 National Defense Authorization Act (NDAA) requires a review and report for the award of the Purple Heart. Because there have been multiple domestic attacks against servicemembers, do you anticipate that there will be changes to any of the award criteria related for the Purple Heart and how does your department plan to implement any potential changes to this policy?

Answer. I have directed a comprehensive review of the military decorations and awards program which is expected to conclude in July 2015. The Purple Heart award criteria is being examined as part of that review. As the review just recently began and is ongoing, it would be premature to speculate on any potential outcome.

Question. Do you anticipate that the criteria related to the award of the Purple Heart will include circumstances where a servicemember is killed or wounded in an attack on United States soil?

Answer. I have directed a comprehensive review of the military decorations and awards program which is expected to conclude in July 2015. The Purple Heart award criteria is being examined as part of that review. As the review just recently began and is ongoing, it would be premature to speculate on any potential outcome.

QUESTIONS SUBMITTED BY SENATOR MITCH MCCONNELL

Question. Given the rise in military suicide, what do we know about how servicemembers and their families are affected by suicides occurring within the military community?

Answer. Death by suicide is a shocking and tragic event and family members, friends, and peers all react differently depending on individual factors.

Based on the Calendar Year 2012 Annual Department of Defense Suicide Event Report (released in early 2014), the demographics of Active Duty servicemembers who die by suicide are that they are male, Caucasian, and 17–24 years of age. In addition, nearly half (48.4 percent) are married and most of them resided with their spouse and dependent children (16.4 percent have children residing with them).

The Department of Defense's "Reserve Component Suicide Postvention Plan: A Toolkit for Commanders" notes accurately that servicemembers and family members affected by suicide will often respond with shock at first and question the circumstances surrounding the death. In the following days, weeks, and months, survivors often struggle with complex and changing emotions that include denial, guilt/blame, sadness, anger, and acceptance. During this complex grieving process it is not uncommon to find survivors experiencing depression, mistrust, helplessness, abandonment issues, a loss of appetite, difficulty sleeping, loss of interest in activities, and occasionally suicidal thoughts.

Question. Are servicemembers' exposures to suicide and attempted suicide being measured to determine how it affects them and what resources they might need following these exposures?

Answer. Department of Defense Suicide Event Reports (DODSER) capture a range of information about Active Duty servicemember suicides and suicide attempts, including those that were previously exposed to suicide of a friend or family member. The calendar year 2012 DODSER Annual Report reports that 6.0 percent of suicides and 12.2 percent of suicide-attempts had a history of exposure to suicide of a friend or family member. Through studies and experience, DOD knows that a death by suicide can leave survivors with a mix of complex emotions and responses. Survivors often struggle with feelings of shock, denial, guilt, blame, sadness, and anger. These emotions can lead to a sense of helplessness and abandonment, a loss of appetite, difficulty sleeping, a loss of interest in work or other activities that one previously found enjoyable, and occasionally suicidal ideation. To help combat these effects and help survivors through the grieving process the Department of Defense has put in place a number of valuable resources that are available on the National Resource Directory.

For example, should a servicemember or family member feel they or their loved one is in immediate crisis, they are encouraged to reach out to the Veterans/Military Crisis Line (MCL). Through a partnership with Department of Veterans Affairs, professional responders are standing by 24/7 to provide confidential crisis support. Also available to servicemembers and their families is 24/7 confidential grief and loss counseling offered through Military OneSource. Additionally, the Department of

Defense created the Vets4Warriors program to provide assistance through peer-to-peer counseling, referrals, resilience case management, and outreach support services.

Similarly, the Services have all developed programs to grow individual and unit resilience to assist in preventing suicide. The Army has developed the Ready and Resilient Campaign (R2C), which provides comprehensive resilience training for Soldiers and family members to develop coping skills and behaviors. The Navy/Marine Corps have developed the 21st Century Sailor & Marine Initiative, which provides Sailors and Marines with access to support and helps them develop coping skills to build their resilience. The Air Force has developed the Comprehensive Airman Fitness program to build resilience by teaching Airmen skills and providing them with the tools needed to cope with stress and hardship.

In addition, the Department has collaborated with the Suicide Prevention Resource Center to develop Gatekeeper Training for Suicide Prevention. This educational program teaches people the warning signs of a suicide crisis and how to respond effectively. Also, some of the Services have entered into Memorandums of Agreement with the Tragedy Assistance Program for Survivors (TAPS) where they can refer survivors. TAPS is a not-for-profit peer support program established to assist survivors of military deaths in dealing with the loss of a servicemember. TAPS has incorporated a specific focus area and designated staff to support survivors of suicide and provides the Defense Suicide Prevention Office with briefings based on cases referred from the Services.

Question. What resources have the Department of Defense (DOD) created to help those servicemembers who may be profoundly affected by the suicide deaths of their fellow servicemembers?

Answer. The DOD and Military Services have developed numerous resources to help members of the Armed Forces and family members who are affected by suicide. A few of the Department's efforts include the Reserve Component Suicide Postvention Plan, Veterans/Military Crisis Line, the Vets4Warriors program, and Military OneSource. Similarly, each Service has created Service-specific programs to help prevent suicide and build resilience among their servicemembers and their families.

The Department published the "Reserve Component Suicide Postvention Plan: A Toolkit for Commanders" in August 2013. The Postvention guide, which has been distributed in print to thousands of stakeholders and is available online for free download on www.suicideoutreach.org provides Commanders with a range of information about suicide and activities undertaken in the immediate aftermath of a suicide. The guide outlines the roles and responsibilities of Commanders, discusses how they can build resilience, provides recommendations for memorial services, and describes how to effectively support families and respond to media inquiries.

The Department has distributed over 172,000 products that draw awareness to the Veterans/Military Crisis Line (MCL), a call center manned by the Department of Veterans Affairs (VA) that provides 24/7, confidential crisis support to veterans, servicemembers, and their families. An Executive Order issued on August 31, 2012, called on DOD and VA to develop a national suicide prevention campaign focused on connecting servicemembers and veterans to mental health services. Servicemembers affected by suicide are encouraged to reach out to professional responders at MCL.

The DOD's Vets4Warriors (V4W) program, which provides assistance to all servicemembers and their families supports these individuals through peer-to-peer counseling, referrals, resilience case management, and outreach services. The veteran peers understand the problems unique to military life and know the resources and benefits available to servicemembers and their families.

Military OneSource is a service providing comprehensive information about military life and offers confidential grief and loss counseling free of charge, 24/7/365. Additional non-medical, confidential counseling is available through the Military Family Life Counselor programs, counselors embedded in military units, youth centers, military schools and some child development centers.

In accordance with Department policy, the Services have developed individual resilience and suicide prevention programs focusing on their culture and shared experiences. For instance, the Army has developed the Ready and Resilient Campaign, the Air Force has initiated the Comprehensive Airman Fitness program, and the Navy and Marine Corps have established the 21st Century Sailor & Marine initiative. These programs are all designed around the common goal of teaching the skills and providing servicemembers with the tools to manage stress and hardship to build their resilience.

Question. How have policies changed to assist family members who lose a servicemember to suicide?

Answer. Department of Defense (DOD) and Service policies are constantly evolving to meet the needs of our military families who lose a servicemember to suicide. Each branch of the Armed Forces has its own postvention policies and practices, as required by DOD Directive 6490.14 "Defense Suicide Prevention Program." Each of the Services have Casualty Assistance Officers (CAO) who handle casualty and mortuary affairs for families of those who have died during active military service. A CAO is trained to professionally deal with families experiencing deep grief, recognize vulnerabilities, and set boundaries between assisting families and maintaining military decorum. The CAO can answer questions related to the Department's programs offering DOD Survivor Benefits; Veteran Death and Survivor Benefits; and other Federal benefits and services, all of which are codified in policy.

The Department of Defense has provided guidance to the Reserve Components through the "Reserve Component Suicide Postvention Plan: A Toolkit for Commanders." This guide, which has been distributed in print to thousands of stakeholders and is available online for free download, provides Reserve Component Commanders with a range of information about suicide and postvention, which are the response activities undertaken in the immediate aftermath of a suicide that has impacted the unit or family. The guide outlines the roles and responsibilities of Commanders and discusses how to effectively support families.

Military OneSource is DOD's centralized assistance program—or one-stop shop—for all programs and resources available for our military families, available 24/7/365. Military OneSource is both a vibrant Web site and a comprehensive program that provides confidential help and support, a call center, and online tools for anything a military family member may need to navigate military family life. Survivors remain eligible for support from Military OneSource for as long as they may need it or be inclined to use it.

In August 2013, the Department, through the Defense Suicide Prevention Office, gained oversight of the Vets4Warriors program. This program provides assistance to families through counseling, referrals, resilience case management, and outreach support services. The veterans employed by Vets4Warriors understand the problems unique to military life and know the resources and benefits available to servicemembers and their families.

Similarly, all of the Services with the exception of the Army have entered into Memorandums of Agreement with the Tragedy Assistance Program for Survivors (TAPS) where they can refer survivors. TAPS is a not-for-profit peer support program established to assist survivors of military deaths in dealing with the loss of a servicemember. TAPS has incorporated a specific focus area and designated staff to support survivors of suicide. The Army has developed its own Survivor Outreach Services program that supports survivors, but also refers individuals to TAPS.

Question. Are there uniform protocols followed by Casualty Assistance Officers? Are family members being provided supportive services in the wake of their loved ones death?

Answer. Yes, Casualty Assistance Officers must follow uniform protocols. The Department places a high priority on taking care of servicemembers and their survivors. The Department requires that the Services train assistance officers on their duties and responsibilities before being assigned to assist a family. Casualty Assistance Officers are required to assist the family with receipt of all Federal benefits and entitlements and provide them with points of contact for additional resources such as counseling or financial assistance. I consider the care and support of survivors our highest duty and will make sure they are given all the necessary assistance both immediately after the death of their loved ones, and for the long term.

Question. What programs are in place within DOD to equip returning servicemembers with the appropriate resources they need to successfully transition to civilian life?

Answer. To assist servicemembers to transition confidently and successfully to civilian life, DOD provides eligible servicemembers separating, retiring, or being released from Active Duty, with access to the Transition Assistance Program (TAP). TAP, which has been completely redesigned since 2011, in collaboration with partner agencies, Departments of Homeland Security, Veterans Affairs, Labor, Education, the U.S. Office of Personnel Management, and the U.S. Small Business Administration, provides training, counseling, information, and other transition services to assist servicemembers in becoming career ready for employment, accessing higher education, obtaining a credential or starting their own business based on their individual post-military career goals.

Question. In fiscal year 2011, DOD's Federal Voting Assistance Program (FVAP) received funding to conduct Voting System Testing Laboratory tests on six online ballot delivery and Internet voting systems. Please provide a summary of FVAP's findings from these tests.

Answer. The findings and reports on “Voting System Testing Laboratory Functionality and Security Testing and Penetration Testing of a Simulated Election” inform the Department’s larger electronic voting demonstration project decision-making process. That process is still ongoing, making the reports and findings pre-decisional and unavailable for public release.

However, in response to a request from the House Armed Services Committee (HASC) staff, FVAP released the reports for committee use only with the marking “FOR HASC USE ONLY. NOT FOR PUBLIC RELEASE.” Upon request, the Department will provide a copy of the reports to the Senate Appropriations Committee for committee use only.

The Director of FVAP, Mr. Matt Boehmer, discussed the reports’ findings and timeline for public release with the HASC Military Personnel Subcommittee Ranking Member, Representative Susan Davis, on July 10, 2014.

If members of this committee would also like to discuss the reports, Mr. Boehmer is available to meet at a time convenient to them.

Question. Despite added attention to and appropriations for DOD screening and delivery of care to servicemembers with post-traumatic stress disorder (PTSD) and traumatic brain injury (TBI), mental health issues and substance abuse, particularly the misuse and abuse of prescription pills, persist as a very serious problem for servicemembers. Are DOD’s various mental health and addiction prevention/treatment initiatives achieving the desired results? Which programs have been most successful for providing mental health and substance abuse treatment to servicemembers?

Answer. Tremendous DOD resources and attention have been, and continue to be, actively deployed to address issues of program evaluation, integration, coordination and quality of care within the DOD. The Department began evaluation of existing programs based on the requirements set by President Obama’s Executive Order dated August 31, 2012, “Improving Access to Mental Health Services for Veterans, servicemembers and Military Families.” The DOD, VA, and HHS have since been working collaboratively on these strategies and creating an inventory of mental health and substance abuse prevention and treatment programs and activities to inform this work. DOD is concluding a review of all DOD mental health and substance abuse prevention, education, and outreach programs for evidence of effectiveness and to identify those with the most impact. Although comprehensive review of all such programs is still ongoing, several programs, highlighted below, have shown success for enhancing mental health and substance abuse treatment for servicemembers.

DOD and VA have been actively collaborating on disseminating the use of evidence-based treatments and best practices designed to enhance the assessment and treatment of individuals with a wide range of mental health concerns. This includes the training of over 4,000 providers in evidence-based psychotherapies (EBPs) for the treatment of PTSD and over 1,600 in EBPs for other mental health disorders.

In September, 2012 DOD augmented its deployment health assessment process to include mental health assessments (MHAs) before deployment, and three times after return from deployment to determine whether treatment is needed for mental health conditions. The deployment MHAs, which include validated screening tools for PTSD, depression and alcohol misuse, are designed to more accurately identify individuals with mental health concerns and have been critical to the early identification of mental health concerns and referral for care when needed. As of July 23, 2014, over 1.2 million deployment MHAs have been administered. Based on data over the last 2 years, approximately 7 percent of servicemembers receiving a deployment MHA had a recommended referral to mental health specialty care or to a mental health provider in primary care.

The embedded mental health program is an early intervention and treatment model that promotes servicemember readiness (pre-, during, and post-deployment). It provides multidisciplinary, community mental healthcare to servicemembers in close proximity to their unit area and in close coordination with unit leaders. The intent of co-locating providers in close proximity to units is to increase servicemember’s accessibility to mental healthcare and improve trust in mental health providers, as both are significant barriers to care in military population. Ultimately, the embedded mental health program aims to prevent negative mental health outcomes and assist the servicemember return to duty whenever possible.

In the primary care setting, the Department has funded 470 mental health providers within Patient Centered Medical Home teams to optimize access to mental healthcare and to improve the early screening, identification, and intervention of mental health conditions. These providers are available to provide consultation to primary care providers on prevention, assessment, and treatment strategies for a

wide range of mental health concerns, and to provide brief, targeted intervention services.

With regard to the potential misuse and abuse of prescription medications, the Department monitors the dispensing of prescription medications via the DOD Pharmacy Data Transaction Service (PDTS), which matches real-time prospective drug utilization with a patient's medication history for each new or refilled prescription before it can be dispensed to the patient. PDTS flags beneficiaries associated with an excessive number of controlled substance claims, pharmacies used to obtain controlled drugs, and/or prescribing providers. These beneficiaries are then asked to enroll in the Department's "1-1-1 Program" which identifies a single prescribing physician, a single pharmacy, and a single emergency room and treatment facility for their care. Beneficiaries who are identified through PDTS are encouraged to participate in the program or face limits in benefits, and many are subsequently offered treatment and case management to address substance use disorder dependence.

Section 739 of the National Defense Authorization Act for fiscal year 2013 requires DOD to develop a plan to improve the coordination and integration of the programs of DOD that address psychological health and TBI of members of the Armed Forces. The information collection and evaluation activities conducted from fiscal year 2013 through fiscal year 2017 will provide robust and comprehensive information about gaps and redundancies in psychological health and TBI programs, the effectiveness of these programs, and how well the programs are coordinated and integrated into overall operational delivery of care to servicemembers, their families, and veterans. Activities involving the provision of specialized program evaluation, instruction, and training to DOD-wide psychological health and traumatic brain injury (TBI) programs will begin in fiscal year 2015. The outcomes and recommendations derived from these activities will inform policy decisions, address of gaps and redundancies, identify best-practices moving forward, and help achieve the goal of promoting programs with demonstrated effectiveness.

Question. Within the past year, how has DOD improved the resources it provides to servicemembers who are victims of sexual assault? Are DOD's actions to prevent and respond to sexual assaults in the military having the desired effect? Does DOD need any additional authority from Congress to address this issue?

Answer. Over the past year, DOD has implemented a number of programs designed to improve victim confidence, recognizing that increased victim confidence and reporting is a bridge to greater victim care and holding offenders appropriately accountable. On August 14, 2013, I directed that the Services establish Special Victims Counsel programs. This program offers victims legal consultation and representation throughout the military justice process. The program has helped increase victim confidence. Victims also receive support from Sexual Assault Response Coordinators and Sexual Assault Prevention and Response Victim Advocates, who have received nationally recognized certification through the DOD Sexual Assault Advocate Certification Program, administered by DOD contract with the National Organization for Victim Assistance.

The Department also issued DODI 6400.07, "Standards for Victim Assistance Personnel," which ensures all victim-assistance related programs throughout the Department are consistent with the Standards for Victim Assistance Programs and Providers established by the National Victim Assistance Standards Consortium. The new policy also establishes the DOD Victim Assistance Leadership Council to advise the Department on policies and practices related to the provision of victim assistance across the DOD.

Additionally, we have increased resources to servicemembers who are victims of sexual assault through the DOD Safe Helpline. The Safe HelpRoom, a moderated group chat service that allows sexual assault survivors in the military to connect with and support one another in a secure online environment, was implemented this year. Users can connect with sexual assault response professionals via phone or anonymous online chat from their mobile devices from anywhere in the world. In addition, the Safe Helpline Mobile Self-Care Applications help users manage the short-and long-term effects of sexual assault.

Although we continue to assess our progress, it takes time to measure the effectiveness of our programs. However, we are encouraged by our most recent report to Congress (fiscal year 2013 Sexual Assault Annual Report), which indicated a 50 percent increase in victim's reports of sexual assault when compared to fiscal year 2012.

We assess this increase in reports as consistent with a growing level of confidence in our response system and are encouraged that more men and women are coming forward to report a sexual assault, get care and support, and assist our efforts to hold offenders appropriately accountable.

Question. DOD has announced that in fiscal year 2014 and fiscal year 2015, it will implement 18 reductions in force (RIF) at 14 military installations. Two of these RIFs are slated to take place at Fort Knox. Please provide DOD's methodology for this determination.

Answer. An activity is required to use Reductions in Force (RIF) procedures when employees could be separated or downgraded because of lack of funds, lack of work, or reorganization. The preferred course of action when a RIF may be required is to use other restructuring tools such as limiting hiring, offering voluntary early retirement and voluntary separation incentives, and reassigning employees to vacant positions. RIF is the method of last resort as it adversely affects our civilian employees and their families.

Question. How is DOD taking steps to work more effectively with the Department of Veterans Affairs (VA) to help servicemembers transition to the VA healthcare system?

Answer. For over 10 years, the Assistant Secretary of Defense, Health Affairs has Co-Chaired the VA, DOD and Health Executive Council (HEC) to provide direction and oversee the cooperative efforts of each Department's healthcare organizations. This council oversees numerous workgroups focused on identifying and implementing mutually beneficial opportunities to improve business practices and efficiencies, and to improve quality and access to care for both VA and DOD beneficiaries.

The HEC has approved and funded 165 Joint Incentive Fund (JIF) projects for a total of \$645 million over the last 11 years, and includes many types of services at the local, regional and national levels. Many of these initiatives support improved access to care and information sharing in support of patient care.

DOD has also initiated several efforts to improve transition servicemembers by ensuring healthcare information is effectively communicated to the separating servicemember and to the Veterans Health Administration. These efforts are now consolidated in the Defense Health Systems Modernization program in order to align current information technology enhancements with the longer term effort to modernize the primary electronic record system.

The following are some of these initiatives:

- Blue Button.*—Servicemembers can access their complete medication history from the MHS through Blue Button. Now they can download the information in a format meeting national standards for health information sharing, the "Continuity of Care Document."
- Service Treatment Record sharing.*—Medical documentation is now made available electronically to the VA within 45 days of separation via an interface between the Health Care Artifacts and Imaging Solution and Veteran Benefits Management System. This interface enables VBA to copy all of the files of the Service Treatment Record into VBA systems when a servicemember files a claim to expedite the claim development phase.
- Information integration, interoperability, and visibility.*—A comprehensive viewer of all electronically available information has been successfully piloted and is being evaluated for wide deployment across DOD and VA. This viewer provides read only access with role based access control to all care documentation in the electronic medical records of the both VHA and the Military Health System in an integrated display. Information in this system has been mapped to national standards. DOD is evaluating the use of this system to provide information to partner healthcare organizations as part of the Virtual Lifetime Electronic Record program.
- Care Coordination.*—The Recovery Coordination Program provides guidance and oversight for the Services' non-medical case management of seriously, very seriously, and catastrophically injured servicemembers. Supporting approximately 14,000 customers, the population has remained relatively constant since the program was established in 2008. Non-medical case management is an essential part of transition from DOD to VA care, which is why the Departments are working together to implement a new "Lead Coordinator" concept to increase communication and collaboration.
- In addition to the above initiatives, since 2011 DOD and VA have worked closely with other Federal agencies and the President's economic and domestic policy teams to enhance the successful transition of our servicemembers from military to civilian life. The redesigned Transition Assistance Program (TAP) includes mandatory enrollment in eBenefits and provision of an enhanced Briefing on VA benefits to all transitioning servicemembers. The VA benefits briefing addresses Disabled Transition Assistance Program information, and an overview on eBenefits and VA healthcare, as well as information on the full range of VA benefits and services. DOD also requires that approximately 90 days before

their transition, servicemembers participate in a Capstone, which includes the “warm handover” of servicemembers to VA representatives, facilitating personalized attention and service. To support the initiatives described above, as well as the provision of Vocational Rehabilitation and Education services to eligible members with service connected disabilities, installations with high or medium demand have expanded to accommodate a permanent VA presence.

—Another key initiative DOD has undertaken is the IC3 program. The mission of Interagency Care Coordination Committee (IC3) is to develop “One Mission, One Policy, and One Plan” for servicemembers and veterans needing complex care coordination. One major component of this program is the ability to share information and utilize common resources to ensure that care coordinators are working seamlessly together to deliver care, benefits, and services to servicemembers and veterans during the transition period from DOD to VA without any gaps in care. Through this sense of “oneness,” IC3 aims to ensure that no servicemember and veteran ever loses or misses an opportunity to receive the care, benefits, and services that he or she requires. For those that are approaching the end of their military career, it is particularly critical to have a common operational picture of care coordination, to ensure their needs are being met in real-time.

IC3 built the infrastructure for a single, borderless, Community of Practice (CoP) and launched the CoP with its initial group of leaders from 50+ wounded Warrior care, benefits, and services coordination programs. Additionally, the Lead Coordinator (LC) role was developed, introduced, and is in the beginning phases of a nationwide rollout. Every SM/V will be assigned a LC who will serve as the primary point of contact for complex care and service coordination to the servicemember, Veteran, and their families or designated caregivers.

Finally, and perhaps most critical for managing complex care, IC3 has started the development planning for a full scale electronic Interagency Comprehensive Plan (ICP). The ICP will improve coordination, transparency, and interoperability across programs by allowing VA and DOD care coordinators to view and share client data from one place and to track the SM/V's history. The ICP would guide a designated Lead Coordinator to execute appropriate follow up, which will be monitored through an electronic support capability, and would ensure complex care.

QUESTION SUBMITTED BY SENATOR RICHARD C. SHELBY

Question. Secretary Hagel, during last week's hearing you stated that you had, “no direct evidence of any direct involvement in [the Taliban Five's] direct attacks on the United States or any of our troops.” However, publicly released reports indicate otherwise. In light of this reporting, why do you say there is no evidence the Taliban Five were involved in attacks against the United States or our troops?

Answer. (Deleted)

QUESTIONS SUBMITTED BY SENATOR DANIEL COATS

Question. The Administration has not been able to stop Vladimir Putin's aggression in Ukraine and the Administration has not been able to stem the progress of the ISIS radicals in Iraq, threatening the existence of the Maliki government. How have these clear political setbacks for the United States affect our ability to deter Chinese aggression in Asia? Should America's allies and friends be concerned that China will take advantage of Washington's preoccupation and use force?

Answer. The United States remains firmly committed to our allies and to ensuring peace and security in the Asia-Pacific region. U.S. treaty alliances remain the backbone of our presence in the Asia-Pacific region, and our friends and allies have seen our significant steps in recent years to enhance our posture in Northeast Asia, to expand our partnerships in Southeast Asia, and to ensure that our forces can operate effectively regardless of other nations' capabilities.

Question. Chinese naval forces are now participating in the Rim of the Pacific (RIMPAC) exercise with United States and allies naval forces. Yet Chinese fighters have almost collided with Japanese surveillance aircraft on two occasions in recent weeks; are building new island bases in the South China Sea; destroying any basis for a political settlement to those disputes and continues to build up its forces for the conquest of democratic Taiwan. It does not seem that the Administration's much vaunted Pivot to Asia is actually deterring them, does it?

Answer. The United States rebalance to the Asia-Pacific region is focused on building relationships within the region, including China, to help ensure peace and

prosperity. It focuses on resolving disputes through diplomacy and well-established international rules and norms rather than intimidation and coercion. Five lines of effort constitute the rebalance: modernizing alliances and partnerships, enhancing defense posture, investing in capabilities, updating concepts and plans, and strengthening multilateral engagement.

Underpinning all of the Department's engagements in the Asia-Pacific region is our commitment to key principles and values that are essential to regional peace and security. The Department seeks to build a relationship with China that effectively manages existing elements of cooperation and competition and helps integrate China into the international system. We are also candid in raising with China our concerns regarding its behavior. We are focused on establishing mechanisms that will prevent miscalculation and disruptive regional competition and avoid escalatory acts that could lead to conflict.

Question. Russia has been on the verge of formally invading Ukraine for weeks now. The Ukrainians do not want American troops, but they do want simple items like fuel for their vehicles and helicopters, secure radios and body armor for their troops. How has your department responded to these requests?

Answer. We are using Foreign Military Financing funds to transfer body armor, helmets, radios, night vision devices, medical supplies, and uniform items to the Ukrainian armed forces. These items are in procurement and will be shipped to Ukraine in the near future. All of our assistance efforts for Ukraine are being expedited with the highest priority. As additional funds become available, we will continue to work closely with the Government of Ukraine to identify and address Ukraine's most pressing needs.

Question. Russian forces threaten stability in Europe, Islamic radicals led by the Islamic State of Iraq and Syria (ISIS) in Iraq threaten to undo enormous American sacrifice and create a new launching pad for international terror, and in Asia, China is threatening to use military force against two longstanding defense treaty allies. Also, North Korea is poised to advance its nuclear capability with a new nuclear test and remains poised to invade South Korea. Do you think it is time for your Administration, for the President, re-evaluate his priorities? Should we revive the old requirement to be able to fight two simultaneous wars and fund that level of capability?

Answer. The President's and the Department's security priorities take into account a wide range of threats and challenges, from traditional military coercion to potential spectacular attacks by violent extremist organizations. The Quadrennial Defense Review examined the balance of capacity, capability, and readiness of the force in the 2020 timeframe and projected key capability demands for the 2030 timeframe. With the level of funding requested in the President's budget submission, in aggregate, the Joint Force will be capable of simultaneously defending the homeland; conducting sustained, distributed counterterrorism operations; and, in multiple regions, deterring aggression and assuring allies through forward presence and engagement. If deterrence fails at any given time, U.S. forces could defeat a regional adversary in a large-scale multi-phased campaign, and deny the objectives of—or impose unacceptable costs on—another adversary in another region. The President's fiscal year 2015 budget provides the resources to build and sustain the capabilities to conduct these operations, although at increased levels of risk for some missions.

QUESTIONS SUBMITTED TO GENERAL MARTIN DEMPSEY

QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

Question. General Dempsey, last year you observed that, with regards to sexual harassment and assault in the military, everyone had taken their eye off the ball. Since then, the Congress has passed some major reforms and the Department has instituted even more of their own.

What metrics do you use to measure the effectiveness of those programs, and what indicators will you use to assess that we have succeeded in changing the culture?

Answer. The Department has developed metrics that will allow us to better determine the extent of the sexual harassment and sexual assault within the military and the effectiveness of our response efforts. Our objective continues to be towards the elimination of sexual assault. Several of the metrics are new and will take time to implement and even more time to measure their effectiveness.

These metrics measure:

—*Past year prevalence of unwanted sexual contact.*—Provides best estimate of sexual assault incidents involving servicemember victims.

- Prevalence vs. reporting.*—Provides estimate of the proportion of the crime being reported.
 - Bystander intervention experience.*—Indicator of servicemember actions to prevent sexual assault.
 - Command climate index.*—Indicators of a healthy command climate and of prevention that addresses continuum of harm.
 - Victim experience.*—Determine if advocates Sexual Assault, Response Coordinate/Victim Advocate ((SARC/VA) and Special Victims Counsel) are meeting victim needs and will identify means for improving support.
 - Investigation length.*—Help set expectations for victims and indicator of appropriate resourcing within the response system.
 - Victim retaliation.*—Determine if professional (command structure) or social (peers) retaliation is perceived.
 - Military justice system.*—Determine if the Department's changes in the military justice process are having the desired effect on victim involvement; whether victims are being kept informed.
 - Perception of leadership support for SAPR.*—Indicator of command climate.
- The metrics are supported by other assessment tools to further measure the effectiveness of the Sexual Assault Prevention and Response program—surveys, focus groups, Service-authored assessment reports.
- Defense Equal Opportunity Climate Survey (DEOCS).*—Identify signs of culture change—indicators of a healthy command climate and of prevention that addresses the continuum of harm. The DEOCS is based on a convenience sample and results may not be representative of the entire force. It does allow commanders to assess their units.
 - 2014 Workplace and Gender Relations Survey (WGRS).*—Addresses past-year prevalence of unwanted sexual contact. To address increased interest in the WGRS and its results, the 2014 WGRS will be conducted by an external agency, RAND. The survey will be conducted between August and September 2014. The 2014 survey sample will invite one-third of the active duty population to take the survey.
 - Survivor Experience Survey (June–September 2014).*—Captures the levels of victim satisfaction and confidence in the response system.
 - Focus groups—July–August 2014.*—Focus groups will be conducted at key training and operational installations across the Components to capture the opinions of targeted enlisted personnel and junior officers.
 - We are also collecting data about the military justice process and the outcomes of cases. While these are not metrics, this data may help us better understand the impact of recent changes in law and policy on the military justice process. These assessments will help to inform the Secretary of Defense, Secretaries of the Military Departments and Joint Chiefs and influence policy and procedural changes that will continue to improve our prevention and response systems.
- Question.* General Dempsey, in what ways has U.S. military support to the African Union-Regional Task Force been successful in combating the Lord's Resistance Army and helping the hunt for Joseph Kony, who has so far evaded capture? Does the Department consider the model used for this engagement as one to export for future multi-national security engagements?

Answer. U.S. military support to the African Union-Regional Task Force support all four pillars of the U.S. Government strategy—protect civilians, promote DD/RRR (disarmament, demobilization, reintegration, repatriation, and resettlement), increase humanitarian access/support, and remove Joseph Kony and senior leaders from the region. These objectives are being accomplished through a truly U.S. inter-agency, international and nongovernmental organization collaborative approach with U.S. military forces comprised mostly of special operations forces. United States Special Operations Forces advise an African Union-Regional Task Force comprised of Soldiers from Uganda, the Democratic Republic of the Congo, and the Republic of South Sudan in a regional security plan that has weakened the Lord's Resistance Army significantly since 2010. The Central African regions of eastern Central African Republic and Democratic Republic of the Congo, western South Sudan, and northern Uganda have seen a significant reduction in Lord's Resistance Army kidnappings and violence, allowing access for nongovernmental organizations and partner nation humanitarian elements. Substantial numbers of defectors left the Lord's Resistance Army after successful Military Information Support Operations followed up with successful non-governmental organization and partner-nation sponsored defector integration programs. Since October 2012, over half of defectors report they were exposed to some type of defection tool which often led them to a safe defection site. Abductions and forced conscription of child soldiers, while still occurring, is 60 percent lower than 2010 figures. The African Union-Regional Task Force

removed three of the top five Kony lieutenants from the battlefield, while the remaining Lord's Resistance Army bands are geographically dispersed in eastern Central African Republic. Kony himself remains isolated from his forces, relying on couriers and high-frequency communications to monitor the remaining Lord's Resistance Army. The increased professionalization of our partner nation forces is on glide-path to provide a capability to continue pressure on the Lord's Resistance Army in an effort to keep it from regenerating while being better prepared to address other regional security challenges.

The Department considers the mil-to-mil partnership in this model not unique. Our engagement with the African Union-Regional Task Force is an option on a range of scalable options based on a number of variables such as regional political conditions, desired effects, available resources, and national security priorities. United States Special Operations Forces increased our partnership and connection with key allies in the central African region, contributed to regional stability efforts, operated and trained in an austere jungle environment, and utilized a small U.S. military footprint to help coordinate and enable operations in a regional endeavor to assist regional militaries in achieving peace and safety for a large population in central Africa. The whole of government approach in this case has been successful.

QUESTIONS SUBMITTED BY SENATOR MARK L. PRYOR

Question. The Armored Multi-Purpose Vehicle (AMPV) is the Army's proposed program to replace the aging M113 Armored Personnel Carrier family of vehicles. Do you see this program as a high priority for the Army as the service continues to work to ensure that soldiers have the best protection and mobility for future conflicts?

Answer. The AMPV program is a high priority program for the Army and will provide the vital capabilities—force protection and mobility—for the Armored Brigade Combat Team Commanders to maneuver and command across a range of military operations.

Question. The fiscal year 2015 President's budget request for the AMPV is \$92.4 million in research, development, testing, and evaluation (RDT&E) funding. This is a \$64 million increase from fiscal year 2014 budget. Is it possible for the Army to accelerate the AMPV program under the current acquisition strategy or would additional funding be required?

Answer. The Armored Multi-Purpose Vehicle (AMPV) effort is currently in source selection. Since the AMPV schedule is dependent on the selected vendor's proposal, the Army does not yet know where all opportunities exist to accelerate the development and delivery of the AMPV. Once a contract award is made, which is anticipated in the second quarter of fiscal year 2015, the Army will examine opportunities to accelerate the AMPV schedule in order to provide this capability to the Warfighter.

Question. During the fiscal year 2015 Air Force budget hearing, General Welsh referred to Little Rock Air Force Base as "one of the gems of the U.S. Air Force." He discussed the Air Force's plan to making Little Rock the "most efficient place to retain the transport aircraft." Part of this plan includes the transfer of 10 C-130Js from Keesler AFB to Little Rock AFB. Can you discuss the reasoning behind the decision to consolidate the C-130 fleet as the Air Force attempts to find the most effective and efficient base-alignment scenarios?

Answer. The Air Force (AF) is realigning the C-130 enterprise to minimize operational impacts while maximizing savings. Consolidation of the 10 C-130Js at Little Rock AFB is part of the Air Force's plan to reduce excess C-130 capacity while maximizing savings and training efficiencies via agreements between units. This means that both Active and Reserve Components units can better fulfill opportune training requirements. Keeping an Air Force Command (AFRC) C-130 presence at Little Rock contributes to the Total Force Integration (TFI) of the AF's C-130 enterprise and increases integration of Reserve, Guard, and Active Component Airmen. Little Rock AFB provides efficiency with maintenance and operations between units to generate the most effective total force training possible.

Question. How is the transfer of C-130Js from Keesler AFB to Little Rock AFB progressing and do you anticipate any issues with the transfer of the aircraft to Little Rock AFB?

Answer. The transfer is currently on hold. As directed in Senate section 133 of the fiscal year 2015 National Defense Authorization Act (NDAA) (S. 2410), all proposed unit-equipped C-130 transfers previously authorized for execution in fiscal year 2014 and those outlined in the fiscal year 2015 President's budget will be delayed until 60 days after the Secretary of the Air Force submits the required report

to Congress. This report will outline the costs and benefits of the Air Force's realignment plan and answer any anticipated aircraft transfer concerns, including proposed transfers to Little Rock AFB.

QUESTIONS SUBMITTED BY SENATOR RICHARD C. SHELBY

Question. General Dempsey, when we met last, I mentioned to you my concerns about the United State's vulnerability to Russia's sole supply of the RD-180 liquid rocket engine for key military space launch programs. Following recent U.S. sanctions against Deputy Prime Minister Dmitry Rogozin, the person responsible for RD-180 export licenses, he announced that Russia will no longer deliver these engines to the United States, unless we guarantee that they will only be used for civilian purposes. General Dempsey, I would like to encourage this Committee to be supportive of funding for U.S. development of our own liquid rocket engine for both civilian and military purposes. Could you please discuss how imperative this funding is from a national security perspective?

Answer. Assured access to space is critical to the deployment and subsequent operations of the Department's space-based capabilities, and maintaining that assured access is a strategic objective of the Department. The Department, with the Air Force as the lead agency, is working with its partners to create an affordable and technically low-risk plan to reduce the Nation's use of Russian manufactured rocket propulsion systems. The Air Force review is expected to complete in mid-October. All of the options under review require some additional government investment to ensure the Department maintains assured access to space.

Question. As a follow-up to my last question, once funding is appropriated, I would like to ensure that the liquid rocket engine is jointly developed between the Air Force and NASA. Do you believe that there is value in leveraging NASA's decades of rocket propulsion research development and risk reduction in developing a U.S. RD-180 replacement?

Answer. Yes, there is value in engaging with NASA on both their engine development experience and their future launch needs. The Department, with the Air Force as the lead agency, is working with its partners in creating an affordable and technically low-risk plan to reduce the Nation's use of Russian manufactured rocket propulsion systems. NASA and the Department share many, but not all, goals in common. Due to the large number of launches needed to support Department space systems, cost efficiency is an important Department assessment criteria.

Question. General Dempsey, as you know, the government of Poland has initiated a "Shield of Poland" competition to increase its air and missile defense capabilities and enhance the security of our mutual eastern European allies. Two air and missile defense systems offered by U.S. industry, Medium Extended Air Defense System (MEADS) and Patriot, are in the final four of this competition. What is the official U.S. Government position regarding advocacy in this competition, and will the Department of Defense support both U.S. programs equally, if either is selected by Poland? That is, will the U.S. Government stand behind MEADS if selected, or Patriot if selected?

Answer. Since the 18 June SAC-D hearing, the Polish government opted to remove MEADS from consideration with rationale that urgent threats required Poland to only consider systems currently fielded to NATO countries. Patriot remains under consideration along with the French SAMP/T. Patriot has full U.S. Government support.

QUESTION SUBMITTED BY SENATOR DANIEL COATS

Question. Two geographic combatant commands (SOUTHCOM and AFRICOM) have less than 10 percent of their intelligence, surveillance, and reconnaissance (ISR) requirements being met. Over the last 3 years, AFRICOM has seen the emergence of numerous conflicts, including major conflagrations in Mali, South Sudan, Central African Republic, and Libya. The inability of the Global Force Management Process (GFMP) to prioritize and allocate ISR resources has resulted in skewed allocations of ISR resources, leaving the DOD unable to predict or respond to emerging crises.

Do you think the current allocation of ISR resources is the right mix? Is fixing the ISR allocation a priority? What needs to be done to better prioritize limited ISR resources? What needs to be done to better leverage National Technical Means so we reduce unnecessary duplication of aerial and overhead platforms?

Answer. While we continue to respond to emergent crises, such as those in Mali, Nigeria, South Sudan, and provide support for our current ISR allocation reflects

the priorities coordinated through (OSD) Policy and approved by the Secretary of Defense.

The fundamental challenge, which the Department has faced for over a decade, is the scarcity of available ISR assets; no combatant command, including commands such as U.S. Pacific Command (USPACOM) and U.S. Central Command (USCENTCOM), which confront significant military threats, possess sufficient ISR capacity to fulfill all requirements. This challenge, already severe under current budgetary conditions, would be significantly exacerbated under sequestration as the Department would be unable to procure and maintain its ISR inventory as programmed.

Managing the allocation of our ISR Force is a constant endeavor. The Global Force Management Allocation Process is exacting, and the Combatant Commands each have the opportunity to advocate for their requirements. Every emergent request, regardless of the Combatant Command, is tempered through a tried-and-true process of validation and sourcing. The Secretary of Defense makes the final decision in allocating the limited airborne ISR assets based on operational needs and risks in consultation with me, the Combatant Commanders, and the Interagency. The GFM process is agile, and provides an incredible ability to respond, as has been demonstrated in each of the crises listed above.

There are a number of efforts underway to better capture the National Technical Means and allied contributions to our intelligence requirements, from internally directed looks to GAO-managed efforts. But the flexibility of U.S. airborne ISR in responding to U.S. requirements cannot be matched and will continue to drive increasing requirements on our global ISR Force.

SUBCOMMITTEE RECESS

Senator DURBIN. This meeting of the subcommittee stands adjourned.

[Whereupon, at 12 p.m., Wednesday, June 18, the subcommittee was recessed, to reconvene subject to the call of the Chair.]